

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE EASTERN DISTRICT OF VIRGINIA  
RICHMOND DIVISION**

In re:	:	Chapter 11
	:	
CIRCUIT CITY STORES, INC., <u>et al.</u> , <sup>1</sup>	:	Case No. 08-35653-KRH
	:	(Jointly Administered)
Debtors.	:	
	:	
	:	
	:	

**FINAL APPLICATION OF JEFFERIES &  
COMPANY, INC. FOR COMPENSATION FOR SERVICES  
RENDERED AND REIMBURSEMENT OF EXPENSES AS FINANCIAL  
ADVISORS TO THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS  
FOR THE PERIOD FROM NOVEMBER 18, 2008 THROUGH APRIL 30, 2009**

Pursuant to sections 328, 330, and 331 of title 11 of the United States Code (the “Bankruptcy Code”),<sup>2</sup> and Rule 2016 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), Jefferies & Company, Inc. (“Jefferies” or “Applicant”) hereby files this Final Application of Jefferies & Company, Inc. for Compensation for Services Rendered and Reimbursement of Expenses as Financial Advisors to the Official Committee of Unsecured Creditors for the Period from November 18, 2008 through April 30, 2009 (the “Entire Compensation Period”). By this Application, Jefferies seeks allowance of compensation in the amount of \$132,258.00 and reimbursement of actual and necessary expenses in the amount of \$2,091.53, for a total allowed amount of \$134,349.53 for the period from February 1, 2009 through April 30, 2009 (the “Second Application Period”), and final allowance in the amount of

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<sup>1</sup> The Debtors in these Chapter 11 Cases, along with the last four digits of their respective federal tax identifications numbers are as follows: Circuit City Stores, Inc. (3875), Circuit City Stores West Coast, Inc. (0785), InterTAN, Inc. (0875), Ventoux International, Inc. (1838), Circuit City Purchasing Company, LLC (5170), CC Aviation, LLC (0841), CC Distribution Company of Virginia, Inc. (2821), Circuit City Properties, LLC (3353), Kinzer Technology, LLC (2157), Abbott Advertising Agency, Inc. (4659), Patapsco Designs, Inc. (6796), Sky Venture Corp. (0311), Prahs, Inc. (n/a), XSStuff, LLC (9263), Mayland MN, LLC (6116), Courchevel, LLC (n/a), Orbyx Electronics, LLC (3360), and Circuit City Stores PR, LLC (5512). The address for Circuit City West Coast is 9250 Sheridan Boulevard, Westminster, Colorado 80031. For all other Debtors, the address is 9950 Mayland Drive, Richmond, Virginia 23233.

<sup>2</sup> Capitalized terms not otherwise defined herein shall have the meanings ascribed to such terms in Jefferies’ retention application.

\$658,253.82 for actual and necessary professional services performed by Jefferies during the Entire Compensation Period. In support of this Application, Jefferies respectfully represents as follows:

### **JURISDICTION AND VENUE**

1. The Court has jurisdiction over this Application pursuant to 28 U.S.C. §§157 and 1334. This matter is a core proceeding pursuant to 11 U.S.C. § 157(b)(2)(A). Venue of these cases and this matter is proper in this district pursuant to 28 U.S.C. §§ 1408 and 1409. The statutory predicate for the relief requested herein is 11 U.S.C. §§ 328, 330 and 331.

### **BACKGROUND**

2. On November 10, 2008 (the “Petition Date”), the Debtors filed their voluntary Chapter 11 petitions for relief, thereby commencing the above-captioned cases. The cases are being jointly administered but are not substantively consolidated. The Debtors continue to operate their businesses and manage their properties as debtors-in-possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. As of the date hereof, neither a trustee nor an examiner has been appointed in these chapter 11 cases. On November 12, 2008, the Office of the U.S. Trustee appointed the Official Committee of Unsecured Creditors (the “Committee”) in these cases pursuant to Sections 1102(a) and 1102(b)(1). On November 13, 2008, the Committee was amended by the U.S. Trustee. On November 18, 2008, the Committee voted to retain Jefferies as one of its financial advisors in these matters.

3. In the Retention Application, the Committee sought authorization to retain Jefferies to perform certain professional services described in an engagement letter (the “Engagement Letter”) annexed to the Retention Application as Exhibit D, including, but not limited to, the following:

- a) become familiar with, to the extent Jefferies deems appropriate, and analyze the business, operations, assets, financial condition and prospects of the Debtors;
- b) advise the Committee on the current state of the restructuring market;
- c) assist and advise the Committee in examining and analyzing any potential or proposed strategy for restructuring or adjusting the Debtors' outstanding indebtedness or overall capital structure, whether pursuant to a plan of reorganization, a sale of all or substantially all the assets or equity under section 363 of chapter 11 of the Bankruptcy Code, or other form of emergence from chapter 11 (including a dismissal of the Cases), or otherwise (the "Restructuring"), including, where appropriate, assisting the Committee in developing its own strategy for accomplishing a Restructuring;
- d) assist and advise the Committee in evaluating and analyzing the proposed implementation of any Restructuring, including the value of the securities, if any, that may be issued under any plan of reorganization; and
- e) render such other financial advisory services as may from time to time be agreed upon by the Committee and Jefferies, including, but not limited to, providing expert testimony, and other expert and financial advisory support related to any threatened, expected, or initiated litigation.

4. As set forth in the Engagement Letter, Jefferies was to be compensated as follows: (a) a monthly fee (the "Monthly Fee") equal to \$200,000.00 per month for the first four months, and \$150,000.00 per month thereafter until the expiration or termination of the Engagement Letter. The first Monthly Fee(s) shall be payable immediately upon Bankruptcy Court approval of the Engagement Letter (with, for the avoidance of doubt, the Monthly Fees being deemed to have accrued beginning on the date of the Engagement Letter), and each subsequent Monthly Fee shall be payable in advance on each monthly anniversary thereafter. Fifty percent of any Monthly Fees paid to Jefferies in excess of \$600,000.00 in the aggregate shall be creditable against any fees actually paid or to be paid to Jefferies pursuant to subsection (b) below; and (b) a transaction fee in an amount equal to (i) 1.5% of any recoveries (whether in

the Cases and/or in any Chapter 7 Cases (as defined below)) received by Unsecured Creditors in an aggregate amount up to and including \$200 million; plus (ii) 2.0% of any recoveries by Unsecured Creditors in any aggregate amount in excess of \$200 million (the “Restructuring Fee”). For the purposes of this subsection (b), “recoveries” includes, but is not limited to, the fair market value of any cash, cash equivalents, securities, trust, sale or litigation interests, or other consideration, whether immediately realized or not. The term “Unsecured Creditors” shall mean creditors of the Company to the extent their claims are not (x) secured claims within the meaning of the Bankruptcy Code, or (y) entitled to priority pursuant to sections 507(a) or 503(b) of the Bankruptcy Code.

5. As set forth in the First Retention Order and the Supplemental Order (each as defined in paragraph 6 herein), Jefferies was to be compensated as follows: (a) a monthly fee (the “Reduced Monthly Fee”) equal to \$100,000 for services rendered to the Committee for the period February 6, 2009 through March 5, 2009, provided, however, that the Reduced Monthly Fee will not cover any expert testimony will be billed separately at a fee to be agreed to between the Committee and Jefferies; and (b) a fee equal to \$32,258.00 for the services rendered to the Committee for the period February 1, 2009 through February 5, 2009. In addition, pursuant to the First Retention Order, only in the event of a Total Liquidation (as defined below), the Restructuring Fee shall be determined as follows: The Restructuring Fee shall be initially calculated pursuant to Section 4(b) of the Engagement Letter (the “Base Calculation”). Then, to the extent that the Base Calculation plus the aggregate amount of all Monthly Fees actually paid to Jefferies as of the date such Restructuring Fee becomes due and payable to Jefferies (such date, the “Payment Date”) exceeds \$2,000,000, the amount of the Restructuring Fee payable to Jefferies would be equal to the difference between \$2,000,000 and the aggregate amount of all

Monthly Fees actually paid to Jefferies as of the Payment Date. However, to the extent that the Base Calculation plus the aggregate amount of all Monthly Fees actually paid to Jefferies as of the Payment Date does not exceed \$2,000,000, then there will be no reduction of the Restructuring Fee payable to Jefferies pursuant to Section 4(b) of the Engagement Letter. “Total Liquidation” means the commencement of going out business or similar themed sales for all (but not less than all) of the Debtors’ retail stores and distribution centers, whether under Chapter 11 of Chapter 7 of the Bankruptcy Code.

### **RETENTION OF JEFFERIES**

6. On January 20, 2009, the Court entered its order authorizing the Committee to retain Jefferies through January 31, 2009 as one of its financial advisors under § 328 of the Bankruptcy Code (the “First Retention Order”) [Docket #1682]. On February 26, 2009, the Court entered a supplement order authorizing the Committee to retain Jefferies through March 5, 2009 (the “Supplemental Order”) [Docket #2330]. A copy of the First Retention Order is attached hereto as Exhibit A and a copy of the Supplement Order is attached hereto at Exhibit B.

### **COMPENSATION PAID**

7. On December 9, 2008, the Court entered its Order Under 11 U.S.C. §§ 105(a) and 331 Establishing Procedures for Interim Compensation [Docket #830]. In compliance with the terms and conditions of the First Retention Order, Supplemental Order, and Engagement Letter, and having submitted its Monthly Statements in a timely manner, Jefferies has, to date, received \$502,657.14 in fees and \$35,673.24 in expenses, for a total of \$538,330.38.

8. All services for which Jefferies requests compensation were performed for or on behalf of the Committee.

### **RELIEF REQUESTED**

9. This is the final fee application of Applicant, wherein Applicant seeks the allowance of \$31,375.05 in monthly professional services and the release of fees heldback in the amount of \$88,548.39, for a total of \$119,923.44.<sup>3</sup>

10. In addition, Jefferies respectfully requests that the Court direct the Debtors to (i) provide to Jefferies, within ten days after the end of each calendar month a report describing any additional distributions made on account of general unsecured claims after July 6, 2009 and (ii) pay to Jefferies additional Restructuring Fee amounts that are not disputed within ten days after each calendar month end in accordance with the Engagement Letter as modified by the First Retention Order.

11. Copies of the Monthly Statements are attached hereto as Exhibit E.<sup>4</sup> A summary of the monthly fees and expenses incurred by Jefferies on behalf of the Committee from November 18, 2008 through April 30, 2009 (the “Entire Compensation Period”) are set forth below:

Period Covered	Requested		Approved	
	Fees	Expenses	Fees (85%)	Expenses
November 18, 2008 – December 17, 2008	\$200,000.00	\$94.60	\$170,000.00	\$94.60
December 18, 2008 – January 17, 2009	\$200,000.00	\$9,497.09	\$170,000.00	\$9,497.09
January 18, 2009 – January 31, 2009	\$90,322.58	\$23,990.02	\$76,774.19	\$23,990.02
February 1, 2009 – February 5, 2009	\$32,258.00	\$0.00	\$32,258.00 (100% Approved)	\$0.00
February 6, 2009 – March 5, 2009	\$100,000.00	\$2,091.53	\$85,000.00	\$2,091.53
<b>Totals</b>	<b>\$622,580.58</b>	<b>\$35,673.24</b>	<b>\$534,032.19</b>	<b>\$35,673.24</b>

<sup>3</sup> Because the Unsecured Creditors may receive additional recoveries subsequent to the date hereof, Jefferies will be entitled to receive additional fee amount pursuant to the terms of the Engagement Letter as modified by the First Retention Order.

<sup>4</sup> Jefferies inadvertently included a full month’s fee in its original November 2008 invoice. The credited amount in January 2009 invoice represented an adjustment to include only the prorated amount. Revised monthly invoices have been served to the Notice Parties and are attached hereto.

**SUMMARY OF SERVICES RENDERED IN BENEFIT TO THE COMMITTEE**

12. In the Final Fee Period, Jefferies did not duplicate the services provided by other Committee professionals and coordinated its efforts with Protiviti, Inc. to ensure no duplication of efforts was made. Jefferies rendered the following financial advisory services for the benefit of the Committee:

- a) became familiar with, to the extent Jefferies deemed appropriate, and analyzed the business, operations, assets, financial condition and prospects of the Debtors;
- b) advised the Committee on the current state of the restructuring market;
- c) assisted and advised the Committee in examining and analyzing any potential or proposed strategy for restructuring or adjusting the Debtors' outstanding indebtedness or overall capital structure, whether pursuant to a plan of reorganization, a sale of all or substantially all the assets or equity under section 363 of chapter 11 of the Bankruptcy Code, or other form of emergence from chapter 11 (including a dismissal of the Cases), or otherwise (the "Restructuring"), including, where appropriate, assisting the Committee in developing its own strategy for accomplishing a Restructuring;
- d) worked extensively with Debtor's advisors and Committee counsel to expand the prospective financial and strategic buyers lists for the sales process of certain of the Debtor's assets, and provided outreach and communication to potentially interested parties;
- e) assisted and advised the Committee through comprehensive due diligence of multiple sale processes, including the analysis and reporting on bid proposals for the sale of the InterTAN (Canadian) business operations and the separate sale of Circuit City's IP / website assets;
- f) reviewed and reported to the Committee on the weekly progress of the liquidation of the Debtor's domestic operations.
- g) reviewed the reorganization business plan and advised the Committee on potential negotiations;
- h) provided analysis on the economic impact of different store and regional chain footprints;

- i) advised the Committee on the sale process/bid proposals for regional asset sales;
- j) identified regional chain that was the most profitable and could potential exist as a stand-alone company;
- k) advised the Committee on the reasonableness of certain Debtor proposals and motions; and
- l) reviewed the DIP financing structure and negotiated amended economics.

13. Throughout the Compensation Period, Jefferies dutifully rendered services to the Committee in an effort to improve what was initially proposed by the Debtors' and the ad hoc committee of secured creditors to be dismal recoveries for unsecured creditors.

14. In part as a result of Jefferies' efforts in these cases, the Committee was able to successfully navigate a series of challenging circumstances and decisions in order to maximize recoveries for unsecured creditors. There is reason to believe that the liquidation process may yield sufficient proceeds to satisfy in full the Debtors' obligations to its secured lending group, as well as all of its unpaid estimated administrative expenses (including § 503(b)(9) claims) and priority claims, such that unsecured creditors may receive a dividend in this case, albeit a modest one.<sup>5</sup>

15. Given the outstanding results achieved for unsecured creditors in these cases, it is clear that the professional services performed by Jefferies were in the best interests of the Committee and other parties-in-interest. These professional services were performed efficiently and expeditiously, frequently under difficult time constraints imposed by the circumstances of these cases. Furthermore, the compensation requested by Jefferies for the foregoing services is

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<sup>5</sup> This statement is based on Jefferies' good faith estimate of the liquidation results and estimated claims. In fact it is possible that the estate will not realize sufficient proceeds to satisfy all administrative and priority claims.



commensurate with the complexity, importance and nature of the problems, issues or tasks and is appropriate under the terms of the Engagement Letter.

**CERTIFICATION WITH RESPECT TO FIRST FINAL APPLICATION**

16. The Certification of Richard Klein with respect to the Final Fee Period is attached hereto as Exhibit C.

WHEREFORE, Jefferies respectfully requests that the Court approve, for the period February 1, 2009 through April 30, 2009, (a) allowance of compensation in the amount of \$132,258.00 for actual, reasonable, and necessary financial advisory services rendered by Jefferies and reimbursement of \$2,091.53 of actual and necessary expenses incurred during the Second Compensation Period, and (b) for the period November 18, 2008 through April 30, 2009, final allowance of the sum of \$622,580.58 as compensation for necessary professional services rendered, and the sum of \$35,673.24 for reimbursement of actual necessary costs and expenses, for a total of \$658,253.82 be authorized. To date, Jefferies has received \$538,330.38 of the \$658,253.82 requested in this application. In addition, Jefferies respectfully requests that the Court direct the Debtors to (i) provide to Jefferies, within ten days after the end of each calendar month a report describing any additional distributions made on account of general unsecured claims after July 6, 2009 and (ii) pay to Jefferies additional Restructuring Fee amounts that are not disputed within ten days after each calendar month end in accordance with the Engagement Letter as modified by the First Retention Order.

Dated: June 15, 2009

JEFFERIES & COMPANY, INC.

By: /s/ Richard Klein  
Richard Klein, Senior Vice President  
Financial Advisor to the Official Committee of  
Unsecured Creditors of Circuit City Stores, Inc.

Filed This Day By:

OFFICIAL COMMITTEE OF  
UNSECURED CREDITORS

By: /s/ Paula S. Beran  
Counsel

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Counsel for the Official Committee of Unsecured Creditors

**CERTIFICATE OF SERVICE**

I Hereby Certify That On Or Before The 15<sup>th</sup> Day Of June, 2009 A True Copy Of The Foregoing Final Application Of Jefferies & Company, Inc. For Compensation For Services Rendered And Reimbursement Of Expenses As Financial Advisors To The Official Committee Of Unsecured Creditors For The Period From November 18, 2008 Through April 30, 2009 was served via first-class mail, postage-prepaid and/or electronic delivery to:

Robert B. Van Arsdale – Via email: [robert.b.van.arsdale@usdoj.gov](mailto:robert.b.van.arsdale@usdoj.gov)  
June E. Turner – Via email: [june.e.turner@usdoj.gov](mailto:june.e.turner@usdoj.gov)  
Office of the United States Trustee  
701 East Broad Street, Suite 4304  
Richmond, VA 23219

Bruce H. Besanko – Via Standard Mail  
Reginald D. Hedgebeth – Via Standard Mail  
Circuit City Stores, Inc.  
9950 Mayland Drive  
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/s/ Paula S. Beran  
Co-Counsel

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE EASTERN DISTRICT OF VIRGINIA  
RICHMOND DIVISION**

In re:  CIRCUIT CITY STORES, INC., <u>et al.</u> , <sup>1</sup>  Debtors.	: : : : : : : :	Chapter 11  Case No. 08-35653-KRH (Jointly Administered)
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**AGREED ORDER PURSUANT TO SECTIONS 328 AND 1103 OF THE  
BANKRUPTCY CODE AND BANKRUPTCY RULE 2014 AUTHORIZING  
THE RETENTION AND EMPLOYMENT OF JEFFERIES & COMPANY,  
INC. AS FINANCIAL ADVISORS TO THE OFFICIAL COMMITTEE OF  
UNSECURED CREDITORS *NUNC PRO TUNC* TO NOVEMBER 18, 2008**

Upon consideration of the Application of the Official Committee of Unsecured Creditors (the “Committee”) appointed in the above-captioned Chapter 11 cases of Circuit City Stores, Inc. and its affiliated debtors-in-possession (collectively, the “Debtors”) for an Order Pursuant to Sections 328(a) and 1103(a) of the Bankruptcy Code and Bankruptcy Rule 2014 Authorizing the Retention and Employment of Jefferies & Company, Inc. (“Jefferies”) as Financial Advisors to the Official Committee of Unsecured Creditors *Nunc Pro Tunc* to November 18, 2008 and upon

<sup>1</sup> The Debtors in these Chapter 11 Cases, along with the last four digits of their respective federal tax identifications numbers are as follows: Circuit City Stores, Inc. (3875), Circuit City Stores West Coast, Inc. (0785), InterTAN, inc. (0875), Ventoux International, Inc. (1838), Circuit City Purchasing Company, LLC (5170), CC Aviation, LLC (0841), CC Distribution Company of Virginia, Inc. (2821), Circuit City Properties, LLC (3353), Kinzer Technology, LLC (2157), Abbott Advertising Agency, Inc. (4659), Patapsco Designs, Inc. (6796), Sky Venture Corp. (0311), Prahs, Inc. (n/a), XSStuff, LLC (9263), Mayland MN, LLC (6116), Courchevel, LLC (n/a), Orbyx Electronics, LLC (3360), and Circuit City Stores PR, LLC (5512). The address for Circuit City West Coast is 9250 Sheridan Boulevard, Westminster, Colorado 80031. For all other Debtors, the address is 9950 Mayland Drive, Richmond, Virginia 23233.

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Proposed Counsel for the Official  
Committee of Unsecured Creditors

Proposed Co-Counsel for the Official  
Committee of Unsecured Creditors

the Declaration of Michael Henkin in support of the Application; and notice having been given to the Office of the United States Trustee, the Debtors, and all parties that have appeared and requested service of papers in these cases and, therefore, it appearing that good and sufficient notice having been given and no other or further notice need be given; and no objections to the Application having been filed; and this Court finding, further, that Jefferies does not hold or represent any interest adverse to the Debtors' estates in the matters on which it is to be retained, that Jefferies is a "disinterested" person as that term is defined in section 101(14) of Title 11 of the United States Code (the "Bankruptcy Code"); that the terms and conditions of Jefferies employment as set forth in the Application and the Jefferies Engagement Letter (as defined in the Application), as modified by this Order, are reasonable including, without limitation, the Fee Structure and Indemnity (in each case as defined in the Application), that its employment as a financial advisor to the Committee and the terms thereof are in the best interests of the Debtors' estates; that the Debtor's informal objection to the employment of Jefferies is deemed resolved by the provisions contained in this Order; and after due deliberation and sufficient cause appearing therefor, it is hereby

ORDERED that pursuant sections 328(a) and 1103(a) of the Bankruptcy Code, the Application is hereby granted and that Jefferies is hereby employed as the Committee's financial advisor, effective as of November 18, 2008, and continuing through and including January 31, 2009 (such period, the "Initial Retention Period"), on the terms and conditions set forth in the Jefferies Engagement Letter as modified in the Application and as further modified by this Order; and it is further

ORDERED to the extent not previously resolved, withdrawn or reserved, any and all objections to the Application are overruled in their entirety; and it is further

ORDERED that the terms and conditions of Jefferies' retention pursuant to the Jefferies Engagement Letter (as modified herein), including, without limitation, the Fee Structure and the Indemnity, are approved pursuant to section 328(a) of the Bankruptcy Code, provided, however, that notwithstanding anything to the contrary contained in the Jefferies Engagement Letter, Jefferies shall be entitled to receive and shall be paid (i) a Monthly Fee (as defined in the Jefferies Engagement Letter) of \$200,000 per month for each of (a) the monthly period commencing on November 18, 2008 and ending on December 17, 2008, and (b) the monthly period commencing on December 18, 2008 and ending on January 17, 2009; and (ii) for the period commencing on January 18, 2009 and ending on January 31, 2009, the sum of \$90,322 representing a prorated amount of the Monthly Fee applicable to such period; and it is further

ORDERED that if the Committee seeks to continue Jefferies' retention for a period beyond the Initial Retention Period (whether on the terms and conditions approved pursuant to this Order or on such other terms as the Committee and Jefferies may determine to be appropriate), and the Debtors object to the terms of such continued retention, a hearing shall be held before this Court on January 29, 2009 at 10:00 a.m. to consider such continued retention, and in connection therewith, it shall not be necessary for the Committee to file a new or supplemental retention application; provided, however, that if such continued retention is not approved by the Court, then (i) Jefferies' retention pursuant to this Order shall be deemed automatically extended for the period commencing February 1, 2009 through and including February 5, 2009 (such period, the "Transition Period") in order for Jefferies' and the Committee to effectuate an orderly transition, and (ii) Jefferies shall be entitled to receive and shall be paid the sum of \$32,258 representing a prorated amount of the Monthly Fee attributable to the Transition Period. If the Committee seeks to continue Jefferies' retention for a period beyond

the Initial Retention Period (whether on the terms and conditions approved pursuant to this Order or on such other terms as the Committee and Jefferies may determine to be appropriate) and the Debtors do not object to such continued retention, the Committee and the Debtors may submit to the Court an Agreed Order approving such continued retention and no subsequent hearing thereon shall be held unless otherwise required by this Court; and it is further

ORDERED that the Restructuring Fee (as defined in the Jefferies Engagement Letter) shall be payable to Jefferies as provided in the Jefferies Engagement Letter and shall not be subject to any cap; provided, however, that notwithstanding anything to the contrary contained in the Jefferies engagement letter, only in the event of a Total Liquidation (as defined below), the Restructuring Fee shall be determined as follows: The Restructuring Fee shall be initially calculated pursuant to Section 4(b) of the Jefferies Engagement Letter (the “Base Calculation”). Then, to the extent that the Base Calculation plus the aggregate amount of all Monthly Fees actually paid to Jefferies as of the date such Restructuring Fee becomes due and payable to Jefferies (such date, the “Payment Date”) exceeds \$2,000,000, the amount of the Restructuring Fee payable to Jefferies would be equal to the difference between \$2,000,000 and the aggregate amount of all Monthly Fees actually paid to Jefferies as of the Payment Date. However, to the extent that the Base Calculation plus the aggregate amount of all Monthly Fees actually paid to Jefferies as of the Payment Date does not exceed \$2,000,000, then there will be no reduction of the Restructuring Fee payable to Jefferies pursuant to Section 4(b) of the Jefferies Engagement Letter. For purposes of this Order, the term “Total Liquidation” shall mean the commencement of going out of business or similar themed sales for all (but not less than all) of the Debtors’ retail stores and distribution centers, whether under Chapter 11 or Chapter 7 of the Bankruptcy Code; and it is further

ORDERED, that the second sentence of the sixth paragraph of Schedule A annexed to the Jefferies Engagement Letter is hereby deleted and replaced with the following: “Notwithstanding the provisions hereof, the aggregate contribution of all Indemnified Persons to all Losses shall not exceed twice the amount of fees actually received by Jefferies with respect to the services rendered pursuant to the Agreement.”; and it is further

ORDERED that Jefferies will file applications for interim and final allowance of compensation and reimbursement in accordance with the applicable provisions of the Bankruptcy Code, the Bankruptcy Rules, the Local Rules (except as provided below), and any procedures that may be fixed by Order of this Court, provided, however, that fee applications filed by Jefferies shall be subject to review only pursuant to the standards set forth in Bankruptcy Code section 328(a) and not subject to the standard of review set forth in Bankruptcy Code section 330; and it is further

ORDERED that if an Indemnified Party seeks reimbursement for attorneys’ fees from the Debtors pursuant to the Indemnity, the invoices and supporting time records from the attorneys as to whose fees Jefferies is seeking reimbursement shall be annexed to Jefferies’ own interim and/or final fee applications, and such invoices and time records shall be subject to the United States Trustee’s guidelines for compensation and reimbursement of expenses and the approval of the Bankruptcy Court under the standards of section 330 of the Bankruptcy Code regardless of whether such attorney has been retained under section 1103 of the Bankruptcy Code; and it is further

ORDERED that the relief granted herein shall be binding upon any Chapter 11 trustee appointed in these Chapter 11 cases, or upon any Chapter 7 trustee appointed in the event of a subsequent conversion of these Chapter 11 cases to cases under Chapter 7.



ORDERED that Jefferies is authorized to provide services to the Committee as set forth in the Application.

Dated: Richmond, Virginia  
\_\_\_\_\_, 2009

\_\_\_\_\_  
THE HONORABLE KEVIN R. HUENNEKENS  
UNITED STATES BANKRUPTCY JUDGE

**WE ASK FOR THIS:**

/s/ Lynn L. Tavenner  
\_\_\_\_\_  
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E-mail: rfeinstein@pszjlaw.com  
jpomerantz@pszjlaw.com

Proposed Counsel for Official Committee of Unsecured  
Creditors Holding Unsecured Claims

**SEEN AND AGREED:**

/s/ Douglas M. Foley (per email dated 1/16/09)  
Gregg M. Galardi, Esq.  
Ian S. Fredericks, Esq.  
SKADDEN, ARPS, SLATE, MEAGHER & FLOM, LLP  
One Rodney Square  
PO Box 636  
Wilmington, Delaware 19899-0636  
(302) 651-3000

-and-

Douglas M. Foley (VA Bar No. 34364)  
MCGUIREWOODS LLP  
One James Center  
901 E. Cary Street  
Richmond, Virginia 23219  
(804) 775-1000

Counsel for the Debtors and Debtors in Possession

**SEEN AND NO OBJECTION:**

/s/ Robert B. Van Arsdale (per email dated 1/16/09)  
Robert B. Van Arsdale (VSB# 17483)  
Assistant U.S. Trustee  
**Office of the U.S. Trustee**  
701 East Broad Street, Suite 4304  
Richmond, VA 23219  
(804) 771-2310  
(804) 771-2330 (Facsimile)

CERTIFICATION

I hereby certify that the foregoing proposed Order has been either served on or endorsed by all necessary parties.

/s/ Lynn L. Tavenner

Lynn L. Tavenner, Esquire (Va. Bar No. 30083)  
Tavenner & Beran, PLC  
20 North Eighth Street, 2nd Floor  
Richmond, Virginia 23219  
Telephone: (804) 783-8300  
Telecopy: (804) 783-0178

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE EASTERN DISTRICT OF VIRGINIA  
RICHMOND DIVISION**

In re:	:	Chapter 11
	:	
CIRCUIT CITY STORES, INC., <u>et al.</u> , <sup>1</sup>	:	Case No. 08-35653-KRH
	:	(Jointly Administered)
Debtors.	:	
	:	
	:	

**SUPPLEMENTAL AGREED ORDER PURSUANT TO  
SECTIONS 328 AND 1103 OF THE BANKRUPTCY CODE AND  
BANKRUPTCY RULE 2014 AUTHORIZING THE RETENTION AND  
EMPLOYMENT OF JEFFERIES & COMPANY, INC. AS FINANCIAL  
ADVISORS TO THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS**

The Court having entered its Order Pursuant to Sections 328 and 1103 of the Bankruptcy Code and Bankruptcy rule 2014 Authorizing the Retention and Employment of Jefferies & Company, Inc. as Financial Advisors to the Official Committee of Unsecured Creditors (the “First Jefferies Retention Order”) on January 20, 2009 [Docket 1682], and being advised that the Official Committee of Unsecured Creditors desires to extend the authorization of employment of Jefferies

The Debtors in these Chapter 11 Cases, along with the last four digits of their respective federal tax identifications numbers are as follows: Circuit City Stores, Inc. (3875), Circuit City Stores West Coast, Inc. (0785), InterTAN, Inc. (0875), Ventoux International, Inc. (1838), Circuit City Purchasing Company, LLC (5170), CC Aviation, LLC (0841), CC Distribution Company of Virginia, Inc. (2821), Circuit City Properties, LLC (3353), Kinzer Technology, LLC (2157), Abbott Advertising Agency, Inc. (4659), Patapsco Designs, Inc. (6796), Sky Venture Corp. (0311), Prahs, Inc. (n/a), XSStuff, LLC (9263), Mayland MN, LLC (6116), Courchevel, LLC (n/a), Orbyx Electronics, LLC (3360), and Circuit City Stores PR, LLC (5512). The address for Circuit City West Coast is 9250 Sheridan Boulevard, Westminster, Colorado 80031. For all other Debtors, the address is 9950 Mayland Drive, Richmond, Virginia 23233.

Richard M. Pachulski (CA Bar No. 90073)  
Robert J. Feinstein (NY Bar No. RF – 2836)  
Jeffrey N. Pomerantz (CA Bar No. 143717)  
Pachulski Stang Ziehl & Jones LLP  
10100 Santa Monica Boulevard, 11<sup>th</sup> Floor  
Los Angeles, CA 90067-4100  
Telephone: (310) 277-6910  
Telecopy: (310) 201-0760

Lynn L. Tavenner (VA Bar No. 30083)  
Paula S. Beran (VA Bar No. 34679)  
Tavenner & Beran, PLC  
20 North Eighth Street, 2<sup>nd</sup> Floor  
Richmond, VA 23219  
Telephone: (804) 783-8300  
Telecopy: (804) 783-0178

Counsel for the Official  
Committee of Unsecured Creditors

Co-Counsel for the Official  
Committee of Unsecured Creditors

& Company, Inc. (“Jefferies”) from February 6, 2009 as contemplated by the First Jefferies Retention Order until March 5, 2009, and the Court having been informed that the Debtors consent to the entry of this Order, and that other good cause appearing for the Committee’s continued employment of Jefferies pursuant to the terms of this Order, it is hereby

ORDERED that the Committee is authorized to continue to employ Jefferies pursuant to the terms of the First Jefferies Order, as modified by this Order, through and including March 5, 2009; and it is further

ORDERED that the Jefferies shall be entitled to a monthly fee of \$100,000 (the “Reduced Monthly Fee”) for services rendered to the Committee for the period February 6, 2009 through March 5, 2009, provided, however, that the Reduced Monthly Fee will not cover any expert testimony that Jefferies is asked by the Committee to provide, which expert testimony will be billed separately at a fee to be agreed to between the Committee and Jefferies; and it is further,

ORDERED that the Committee and Jefferies may agree to further extend the Committee’s employment of Jefferies beyond March 5, 2009 with the consent of the Debtors and the Office of the United States Trustee by submitting a consent order to the Court without further hearing; and it is further

ORDERED that except to the extent modified by this Order, the First Jefferies Order shall remain in full force and effect.

Dated: Richmond, Virginia  
\_\_\_\_\_, 2009

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THE HONORABLE KEVIN R. HUENNEKENS  
UNITED STATES BANKRUPTCY JUDGE

**WE ASK FOR THIS:**

/s/ Lynn L. Tavenner

---

Lynn L. Tavenner (VA Bar No. 30083)  
Paula S. Beran (VA Bar No. 34679)  
TAVENNER & BERAN PLC  
20 North Eighth Street, 2nd Floor  
Richmond, Virginia 23219  
Telephone: 804-783-8300  
Facsimile: 804-783-0178

-and-

Richard M. Pachulski (CA Bar No. 90073)  
Robert J. Feinstein (NY Bar No. RF-2836)  
Jeffrey N. Pomerantz (CA Bar No. 143717)  
PACHULSKI STANG ZIEHL & JONES LLP  
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Telephone: 310-227-6910  
Facsimile: 310-201-0760  
E-mail: rfeinstein@pszjlaw.com  
jpomerantz@pszjlaw.com

Counsel for Official Committee of Unsecured Creditors  
Holding Unsecured Claims

**SEEN AND AGREED:**

/s/ Douglas M. Foley (per email dated 2/20/09)

Gregg M. Galardi, Esq.  
Ian S. Fredericks, Esq.  
SKADDEN, ARPS, SLATE, MEAGHER & FLOM, LLP  
One Rodney Square  
PO Box 636  
Wilmington, Delaware 19899-0636  
(302) 651-3000

-and-

Douglas M. Foley (VA Bar No. 34364)  
MCGUIREWOODS LLP  
One James Center  
901 E. Cary Street  
Richmond, Virginia 23219  
(804) 775-1000

Counsel for the Debtors and Debtors in Possession

**SEEN AND NO OBJECTION:**

/s/ Robert B. Van Arsdale (per email dated 2/20/09)  
Robert B. Van Arsdale (VSB# 17483)  
Assistant U.S. Trustee  
**Office of the U.S. Trustee**  
701 East Broad Street, Suite 4304  
Richmond, VA 23219  
(804) 771-2310  
(804) 771-2330 (Facsimile)

CERTIFICATION

I hereby certify that the foregoing proposed Order has been either served on or endorsed by all necessary parties.

/s/ Lynn L. Tavenner  
Lynn L. Tavenner, Esquire (Va. Bar No. 30083)  
Tavenner & Beran, PLC  
20 North Eighth Street, 2nd Floor  
Richmond, Virginia 23219  
Telephone: (804) 783-8300  
Telecopy: (804) 783-0178

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE EASTERN DISTRICT OF VIRGINIA  
RICHMOND DIVISION**

In re:	:	Chapter 11
	:	
CIRCUIT CITY STORES, INC., <u>et al.</u> , <sup>1</sup>	:	Case No. 08-35653-KRH
	:	(Jointly Administered)
Debtors.	:	
	:	
	:	
	:	

**CERTIFICATION OF RICHARD KLEIN WITH RESPECT TO FINAL APPLICATION  
OF JEFFERIES & COMPANY, INC. FOR COMPENSATION FOR SERVICES  
RENDERED AND REIMBURSEMENT OF EXPENSES AS FINANCIAL  
ADVISORS TO THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS  
FOR THE PERIOD FROM NOVEMBER 18, 2008 THROUGH APRIL 30, 2009**

I, Richard Klein, hereby make the following declaration:

1. I am a Senior Vice President of Jefferies & Company, Inc. (“Jefferies”), an investment banking firm with its principal office located at 520 Madison Ave., New York, New York, 10022, with offices located world-wide. I submit this certification with respect to Jefferies’ compliance with the United States Trustee Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed Under 11 U.S.C. § 330, adopted on January 30, 1996 (the “U.S. Trustee Guidelines”), and the Order Under Bankruptcy Code Sections 105(a) and 331 Establishing Procedures for Interim Compensation, entered December 9, 2009 [Docket #830], and collectively with the Local Guidelines and U.S. Trustee Guidelines.

2. This Certification is made in connection with the Final Application (the “Application”) of Jefferies & Company, Inc. for Compensation for Services Rendered and

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<sup>1</sup> The Debtors in these Chapter 11 Cases, along with the last four digits of their respective federal tax identifications numbers are as follows: Circuit City Stores, Inc. (3875), Circuit City Stores West Coast, Inc. (0785), InterTAN, Inc. (0875), Ventoux International, Inc. (1838), Circuit City Purchasing Company, LLC (5170), CC Aviation, LLC (0841), CC Distribution Company of Virginia, Inc. (2821), Circuit City Properties, LLC (3353), Kinzer Technology, LLC (2157), Abbott Advertising Agency, Inc. (4659), Patapsco Designs, Inc. (6796), Sky Venture Corp. (0311), Prahs, Inc. (n/a), XSstuff, LLC (9263), Mayland MN, LLC (6116), Courchevel, LLC (n/a), Orbyx Electronics, LLC (3360), and Circuit City Stores PR, LLC (5512). The address for Circuit City West Coast is 9250 Sheridan Boulevard, Westminster, Colorado 80031. For all other Debtors, the address is 9950 Mayland Drive, Richmond, Virginia 23233.



Reimbursement of Expenses as Financial Advisors to the Official Committee of Unsecured Creditors for the Period from November 18, 2009 through April 30, 2009.

3. I certify that: (a) I have read the Application; (b) to the best of my knowledge, information, and belief formed after reasonable inquiry, the fees and disbursements sought fall within the Local Guidelines; (c) the fees and disbursements sought are billed at rates in accordance with those customarily charged by Jefferies and generally accepted by Jefferies' clients; and (d) in providing a reimbursable service, Jefferies does not make a profit on that service, whether the service is performed by Jefferies in-house or through a third party.

4. I certify that Jefferies has complied with the provision requiring it to provide the Debtors, counsel to the Debtors, counsel for the statutory creditors' committee, and the United States Trustee for the Eastern District of Virginia, with monthly statements of fees and disbursements accrued during the previous month. Copies of such Monthly Statements are attached as Exhibit E to the Application.

5. I certify that the Debtors, counsel to the Debtors, counsel for the statutory creditors' committee, and the United States Trustee for the Eastern District of Virginia are each being provided with a copy of the Application.

Dated: June 15, 2009

/s/ Richard Klein  
RICHARD KLEIN

**Strictly Confidential**

**Engagement Letter**

As of November 18, 2008

**Official Committee of the Unsecured Creditors  
of Circuit City Stores, Inc.**  
9950 Mayland Drive  
Richmond, Virginia 23233

Attention: Ramona Neal  
Chairperson

Re: Advisory Services

This agreement (the "Agreement") confirms that Jefferies & Company, Inc. ("Jefferies") has been engaged by the Official Committee of Unsecured Creditors (the "Committee") appointed in the bankruptcy cases (the "Cases") of Circuit City Stores, Inc. and its debtor affiliates (collectively, the "Company" or the "Debtors"), which are now pending in the United States Bankruptcy Court for the Eastern District of Virginia (the "Bankruptcy Court"), to act as investment banker to the Committee in the Cases.

1. Services. In connection with the Cases, Jefferies will perform the following Investment Banking services for the Committee:

(a) become familiar with, to the extent Jefferies deems appropriate, and analyze the business, operations, assets, financial condition and prospects of the Debtors;

(b) advise the Committee on the current state of the "restructuring market;"

(c) assist and advise the Committee in examining and analyzing any potential or proposed strategy for restructuring or adjusting the Debtors' outstanding indebtedness or overall capital structure, whether pursuant to a plan of reorganization, a sale of any or all of the Debtors' assets or equity under section 363 of chapter 11, title 11 of the United States Code (the "Bankruptcy Code"), a liquidation (whether under Chapter 11 or Chapter 7 of the Bankruptcy Code), or otherwise (the "Restructuring"), including, where appropriate, assisting the Committee in developing its own strategy for accomplishing a Restructuring;

(d) assist and advise the Committee in evaluating and analyzing the proposed implementation of any Restructuring, including the value of the securities, if any, that may be issued under any plan of reorganization and the valuation of the Debtors in any sale or liquidation; and

(e) render such other investment banking services as may from time to time be agreed upon by the Committee and Jefferies, including, but not limited to, providing expert testimony, and other expert support related to any threatened, expected, or initiated litigation.

**Official Committee of Unsecured Creditors of**

**Circuit City Stores, Inc.**

November 18, 2008

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It is expressly agreed that, other than as set forth above, Jefferies will not evaluate or attest to the Debtors' internal controls, financial reporting, illegal acts or disclosure deficiencies.

Jefferies will work to cooperate with the Committee's financial advisors, Protiviti, Inc. ("Protiviti") and not overlap / duplicate services with Protiviti.

2. Cooperation.

(a) The Committee will furnish or undertake to cause the Debtors to furnish Jefferies with all materials and information regarding the business and financial condition of the Debtors which the Committee and/or the Debtors believe are relevant to any Restructuring or other transaction contemplated herein or which Jefferies requests (all such information gathered or furnished being the "Information"). The Committee shall advise Jefferies promptly of the occurrence of any event or any other change in fact or circumstance prior to the closing of any Restructuring or other transaction contemplated herein upon which Jefferies formed part or all of its opinions, advice, or conclusions, or which could reasonably be expected to result in some or all of the Information being incorrect, inaccurate, or misleading.

(b) Jefferies (i) will be relying on the Information and on information available from generally recognized public sources, without having independently verified the accuracy or completeness of the same, (ii) does not assume responsibility for the accuracy or completeness of any such information and data, (iii) will not make an appraisal of any assets or liabilities of the Debtors, and (iv) retains the right to perform due diligence during the course of this engagement.

3. Use of Advice, Name, etc.

(a) Jefferies' advice is solely for the use and information of the Committee, and is only to be used in considering the matters to which this Agreement relates. Such advice may not be relied upon by any other person including, but not limited to, any member of the Committee in its individual capacity, and any other security holder, or employee or creditor of the Debtors, and may not be used or relied upon for any other purpose.

(b) The Committee agrees that any reference to Jefferies in any release, communication, or other material is subject to Jefferies' prior written approval, which may be given or withheld in its sole discretion and which approval, if given, will expire immediately upon the termination of Jefferies' services hereunder. No statements made or advice rendered by Jefferies in connection with the services performed by Jefferies pursuant to this Agreement will be quoted by, nor will any such statements or advice be referred to in, any communication, whether written or oral, prepared, issued or transmitted, directly or indirectly, by the Committee without the prior written

**Official Committee of Unsecured Creditors of**

**Circuit City Stores, Inc.**

November 18, 2008

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authorization of Jefferies, which may be given or withheld in its sole discretion, except to the extent required by law (in which case the appropriate party shall so advise Jefferies in writing prior to such use and shall consult with Jefferies with respect to the form and timing of disclosure).

(c) The Committee acknowledges that Jefferies will act as an independent contractor hereunder, and that Jefferies' responsibility to the Committee is solely contractual in nature and that Jefferies does not owe the Committee, or any other person or entity, any fiduciary or similar duty as a result of its engagement hereunder or otherwise. Jefferies and the Indemnified Persons (as defined below) shall not be deemed agents or fiduciaries of the Committee, any of its members, or the Debtors, and will not have the authority to legally bind any of the foregoing.

4. Compensation. In payment for services rendered and to be rendered hereunder by Jefferies, the Company agrees to pay or cause to be paid to Jefferies in cash:

(a) A monthly fee (the "Monthly Fee") equal to \$200,000 per month for the first four months of this Agreement, and \$150,000 per month thereafter until the expiration or termination of this Agreement. The first Monthly Fee(s) shall be payable immediately upon Bankruptcy Court approval of this Agreement (with, for the avoidance of doubt, the Monthly Fees being deemed to have accrued beginning on the date of this Agreement), and each subsequent Monthly Fee shall be payable in advance on each monthly anniversary thereafter. Fifty percent of any Monthly Fees paid to Jefferies in excess of \$600,000 in the aggregate shall be creditable against any fees actually paid or to be paid to Jefferies pursuant to subsection 4(b) below.

(b) In addition, in consideration of the services rendered by Jefferies hereunder, the Debtors will pay or cause to be paid to Jefferies in cash a fee in an amount equal to (i) 1.5% of any recoveries (whether in the Cases and/or in any Chapter 7 Cases (as defined below)) received by Unsecured Creditors (as defined below) in an aggregate amount up to and including \$200 million; plus (ii) 2.0% of any recoveries by Unsecured Creditors in any aggregate amount in excess of \$200 million (the "Restructuring Fee"). For the purposes of this subsection (b), "recoveries" includes, but is not limited to, the fair market value of any cash, cash equivalents, securities, trust, sale or litigation interests, or other consideration, whether immediately realized or not. The term "Unsecured Creditors" shall mean all creditors of the Company to the extent their claims are not (a) secured claims within the meaning of the Bankruptcy Code, or (b) entitled to priority pursuant to sections 507(a) or 503(b) of the Bankruptcy Code.

(c) For purposes of computing any fees payable to Jefferies hereunder, non-cash consideration shall be valued as follows: (i) publicly-traded securities shall be valued at the average of their 4:00 p.m. closing prices (as reported in The Wall Street Journal) for the five trading days prior to the date which is two business days prior to the date of closing of the Restructuring and (ii) any other non-cash consideration shall be

**Official Committee of Unsecured Creditors of**

**Circuit City Stores, Inc.**

November 18, 2008

Page 4

valued at the value ascribed to such non-cash consideration in the plan of reorganization, and if no such value is ascribed in the plan of reorganization, at the fair market value of such consideration as determined in good faith by the Committee and Jefferies.

(d) The Committee acknowledges that in light of Jefferies' substantial experience and knowledge in the restructuring market, the uncertain nature of the time and effort that may be expended by Jefferies in fulfilling its duties hereunder, the opportunity cost associated with undertaking this engagement, and the "market rate" for professionals of Jefferies' stature in the restructuring market generally, the fee arrangement hereunder is just, reasonable and fairly compensates Jefferies for its services.

5. Expenses. In addition to any fees that may be paid to Jefferies hereunder, whether or not any Restructuring occurs, the Debtors shall reimburse Jefferies, promptly upon receipt of an invoice therefore, for all out-of-pocket expenses (including reasonable fees and expenses of its counsel, travel and lodging expenses, word processing charges, messenger and duplication services, facsimile expenses and other customary expenditures) incurred by Jefferies in connection with the engagement contemplated hereunder.

6. Termination. Jefferies' engagement hereunder will commence upon the execution of this Agreement by the parties hereto, and will continue to the earlier of the date on which (A) each of the Cases is either (i) dismissed or (ii) subject to a plan of reorganization that has been confirmed by the Bankruptcy Court and has become effective, or (B) Jefferies' services hereunder are terminated by either Jefferies or the Committee on 30 days' written notice to the other. Upon any termination of this Agreement, the Debtors shall pay Jefferies any accrued but unpaid fees hereunder, and shall reimburse Jefferies for any unreimbursed expenses that are reimbursable hereunder. In the event of any termination of this Agreement, Jefferies shall be entitled to the Restructuring Fee, and such Restructuring Fee shall be immediately payable, if a Restructuring or similar transaction is consummated subsequent to the date of any termination of this Agreement. Upon any termination of this Agreement, the rights and obligations of the parties hereunder shall terminate, except for the obligations set forth in Sections 2-8, 10-17, and Schedule A hereto.

7. Indemnification, etc. As further consideration under this Agreement, the Debtors and their estates shall indemnify and hold harmless the Indemnified Persons (as defined in Schedule A) in accordance with Schedule A. The terms and provisions of Schedule A are incorporated by reference herein, constitute a part hereof and shall survive any termination or expiration of this Agreement.

8. Bankruptcy Court Approval. The Committee shall use its best efforts to obtain prompt approval of this Agreement, pursuant to sections 327 and 1103 of the Bankruptcy Code, from the Bankruptcy Court. Such approval shall provide for retention of Jefferies

**Official Committee of Unsecured Creditors of**

**Circuit City Stores, Inc.**

November 18, 2008

Page 5

*nunc pro tunc* to November 18, 2008, shall incorporate all of the terms and conditions herein (explicitly including, but not limited to, the Debtors' acknowledgements and obligations set forth in Schedule A), and shall provide that Jefferies' compensation shall be subject to the standard of review provided for in section 328(a) of the Bankruptcy Code, and not subject to any other standard of review under section 330 of the Bankruptcy Code. The Committee agrees that the application to retain Jefferies pursuant hereto, and the proposed order in connection therewith, will be subject to the prior approval of Jefferies in its sole and absolute discretion, and agrees that this Agreement (except for the Committee's obligations under Section 4 and Schedule A hereto) shall be null and void and Jefferies shall have no obligations hereunder unless a final order, no longer subject to appeal, rehearing, reconsideration or petition for certiorari, which is acceptable to Jefferies in its sole and absolute discretion, is entered by the Bankruptcy Court. In the event of a conversion of the Cases to cases under Chapter 7 of the Bankruptcy Code (such converted cases, the "Chapter 7 Cases"), all unpaid fees and expenses then payable or which subsequently become payable to Jefferies hereunder (including, without limitation, any Restructuring Fee) shall be deemed an allowed administrative expenses in such Chapter 7 Cases having the priority set forth in Section 507(a)(2) of the Bankruptcy Code, and shall be paid to Jefferies as and when due in accordance with this Agreement..

9. Exclusivity. The Committee agrees that it will not engage any other person, other than Protiviti, to perform any investment banking, financial or similar consulting services with respect to any potential Restructuring or other transactions contemplated herein. If the Committee is contacted by any person concerning a potential Restructuring or other transactions contemplated herein, the Committee will inform Jefferies of such inquiry, and all relevant details thereof.

Notwithstanding the Debtors' and their estates' obligations hereunder to pay the fees and expenses of Jefferies, to indemnify Jefferies and to provide Jefferies with information, it is understood and agreed that Jefferies' sole and exclusive client is the Committee and Jefferies will in no circumstance be deemed to be an advisor to or have any obligation to any other party.

10. No Assurances; Other Transactions; Disclaimer.

(a) This Agreement does not constitute a commitment or obligation by Jefferies or any of its affiliates to provide any financing which may be required or advisable in connection with any Restructuring or other transactions contemplated herein. By signing this Agreement, the Committee expressly acknowledges that Jefferies does not guarantee, warrant or otherwise provide assurance that the Debtors will be able to implement or consummate any Restructuring or other transactions contemplated herein, or achieve any other result.

**Official Committee of Unsecured Creditors of**

**Circuit City Stores, Inc.**

November 18, 2008

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(b) Jefferies Group, Inc. (the parent of Jefferies) and its subsidiaries, and affiliates (collectively, the “Jefferies Group”) are involved in a wide range of investment banking and other activities (including investment management, corporate finance and securities issuing, trading and research) from which conflicting interests, or duties, may arise. Information that is held elsewhere within Jefferies or within the Jefferies Group, but of which none of the individuals in Jefferies’ investment banking department involved in providing the services contemplated by this Agreement actually has (or without breach of internal procedures can properly obtain) knowledge, will not for any purpose be taken into account in determining Jefferies’ responsibilities to the Committee under this Agreement. Neither Jefferies nor any other part of the Jefferies Group will have any duty to disclose to the Committee or any other party or utilize for the Committee’s benefit any non-public information acquired in the course of providing services to any other person engaging in any transaction (on its own account or otherwise) or otherwise carrying on its business. In addition, in the ordinary course of business, the Jefferies Group may trade the securities of the Debtors and members of the Committee, and of potential participants in any Restructuring, for its own account and for the accounts of customers, and may at any time hold a long or short position in such securities. The Committee acknowledges that from time to time Jefferies’ research department may publish research reports or other materials, the substance and/or timing of which may conflict with the views or advice of the members of Jefferies’ investment banking department, and may have an adverse effect on the Committee’s interests in connection with the Restructuring or otherwise. Jefferies’ investment banking department is managed separately from its research department, and does not have the ability to prevent such occurrences.

11. Construction and Governing Law. This Agreement and any issue arising out of or relating to the parties’ relationship hereunder shall be governed by, and construed in accordance with, the laws of the State of New York, without regard to principles of conflicts of law.

12. Arbitration. The parties agree that any dispute, claim or controversy directly or indirectly relating to or arising out of this Agreement, including, but not limited to: (a) the termination or validity of this Agreement, (b) any alleged breach of this Agreement or (c) the engagement contemplated by this Agreement (any of the foregoing, a “Claim”) shall be brought in the Bankruptcy Court. If the Bankruptcy Court declines jurisdiction over any such matter, the parties agree that any Claim shall be submitted to JAMS, or its successor, in New York, New York, for final and binding arbitration in front of a panel of three arbitrators with JAMS in New York, New York under the JAMS Comprehensive Arbitration Rules and Procedures (with each of Jefferies and the plaintiff choosing one arbitrator, and the chosen arbitrators choosing the third arbitrator). The arbitrators shall, in their award, allocate all of the costs of the arbitration, including the fees of the arbitrators and the reasonable attorneys’ fees of the prevailing party, against the party who did not prevail. The award in the arbitration shall be final and binding. The arbitration shall be governed by the Federal Arbitration Act, 9 U.S.C. §§1–16, and

**Official Committee of Unsecured Creditors of**

**Circuit City Stores, Inc.**

November 18, 2008

Page 7

judgment upon the award rendered by the arbitrators may be entered by any court having jurisdiction thereof. The Debtors and the Committee agree and consent to personal jurisdiction, service of process and venue in any federal or state court within the State of New York in connection with any action brought to enforce an award in arbitration.

13. Payments. All payments to be made to Jefferies hereunder shall be made in cash by wire transfer of immediately available U.S. funds without deduction for any tax, provided. Except as expressly set forth herein, no fee payable to Jefferies hereunder shall be credited against any other fee due to Jefferies. Subject to Bankruptcy Court approval, the Debtors' obligation to pay any fee or expense set forth herein shall be absolute and unconditional and shall not be subject to reduction by way of setoff, recoupment or counterclaim.

14. Announcements. The Committee and the Debtors agree that Jefferies may, following any Restructuring or other transaction contemplated herein, place an announcement in such newspapers, electronic media and periodicals as it may choose, stating Jefferies' role and other material terms of the Restructuring or other transaction contemplated herein. Jefferies shall be entitled to identify the Committee and use the Debtors' name and logo, if any, in connection therewith. The Committee and the Debtors agree that any press release it may issue announcing the Restructuring or other transaction contemplated herein will, at Jefferies' request, contain a reference to Jefferies' role in such transaction.

15. Notices. Notice given pursuant to any of the provisions of this Agreement shall be in writing and shall be mailed or delivered (a) if to the Committee, at the address set forth above, and (b) if to Jefferies, at 520 Madison Avenue, New York, New York 10022, Attention: General Counsel.

16. Miscellaneous. This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof, and may not be amended or modified except in writing signed by each party hereto. This Agreement may not be assigned by either party hereto without the prior written consent of the other, to be given in the sole discretion of the party from whom such consent is being requested. Any attempted assignment of this Agreement made without such consent shall be void and of no effect, at the option of the non-assigning party. This Agreement is solely for the benefit of the Committee and Jefferies and no other person shall acquire or have any rights under or by virtue of this Agreement. If any provision hereof shall be held by a court of competent jurisdiction to be invalid, void or unenforceable in any respect, or against public policy, such determination shall not affect such provision in any other respect nor any other provision hereof. The Committee and Jefferies shall endeavor in good faith negotiations to replace the invalid, void or unenforceable provisions. Headings used herein are for convenience of reference only and shall not affect the interpretation or construction of this Agreement. This Agreement may be executed in facsimile counterparts, each of



**Official Committee of Unsecured Creditors of  
Circuit City Stores, Inc.**

November 18, 2008

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which will be deemed to be an original and all of which together will be deemed to be one and the same document.

17. Patriot Act. Jefferies hereby notifies the Debtors, the Committee, and the Committee's members that pursuant to the requirements of the USA PATRIOT Act (the "Patriot Act"), Jefferies may be required to obtain, verify and record information that identifies the Debtors, the Committee and the members of the Committee in a manner that satisfies the requirements of the Patriot Act. This notice is given in accordance with the requirements of the Patriot Act.

**Official Committee of Unsecured Creditors of  
Circuit City Stores, Inc.**

November 18, 2008

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Please sign and return an original and one copy of this letter to the undersigned to indicate your acceptance of the terms set forth herein.

Sincerely,

**JEFFERIES & COMPANY, INC.**

By /s/ Michael Henkin  
Name: Michael Henkin  
Title: Managing Director

Accepted and Agreed:

**OFFICIAL COMMITTEE OF UNSECURED CREDITORS OF CIRCUIT CITY  
STORES, INC.**

By /s/ Ramona Neal  
Name: Ramona Neal  
Title: Chairperson

Reference is hereby made to the engagement letter attached hereto (as amended from time to time in accordance with the terms thereof, the "Agreement") between Jefferies & Company, Inc. ("Jefferies") and the Official Committee of Unsecured Creditors (the "Committee") appointed in the bankruptcy cases (the "Cases") of Circuit City Stores, Inc., and its debtor affiliates (collectively, the "Debtors"). Unless otherwise noted, all capitalized terms used herein shall have the meanings set forth in the Agreement.

Any and all obligations and agreements of the Debtors under this Schedule A shall be equally applicable to, and binding upon, each of the Debtors' bankruptcy estates and any trustee appointed in the Debtors' Cases.

Because the Debtors are obligated to reimburse certain expenses of the Committee pursuant to the Bankruptcy Code and Jefferies will be acting on behalf of the Committee in connection with the services contemplated by the Agreement, as further consideration under the Agreement, the Debtors agree to indemnify and hold harmless Jefferies and its affiliates, and each of their respective officers, directors, managers, members, partners, employees and agents, and any other persons controlling Jefferies or any of its affiliates (collectively, "Indemnified Persons"), to the fullest extent lawful, from and against any claims, liabilities, losses, damages and expenses (or any action, claim, suit or proceeding (an "Action") in respect thereof), as incurred, related to or arising out of or in connection with Jefferies' services (whether occurring before, at or after the date hereof) under the Agreement, the Transaction or any proposed transaction contemplated by the Agreement or any Indemnified Person's role in connection therewith, whether or not resulting from an Indemnified Person's negligence ("Losses"), provided, however, that the Debtors shall not be responsible for any Losses to the extent such Losses are determined, by a final, non-appealable judgment by a court or arbitral tribunal, to have resulted solely from Jefferies' gross negligence or willful misconduct.

The Debtors and the Committee agree that no Indemnified Person shall have any liability to the Debtors or the Committee or their respective owners, parents, affiliates, securityholders or creditors for any Losses, except to the extent such Losses are determined, by a final, non-appealable judgment by a court or arbitral tribunal, to have resulted solely from Jefferies' gross negligence or willful misconduct.

Neither the Debtors nor the Committee will settle or compromise or consent to the entry of any judgment in, or otherwise seek to terminate any pending or threatened Action in respect of which indemnification or contribution may be sought hereunder (whether or not any Indemnified Person is a party to such Action) unless Jefferies has given its prior written consent, or the settlement, compromise, consent or termination (i) includes an express unconditional release of such Indemnified Person from all Losses arising out of such Action and (ii) does not include any admission of fault on the part of any Indemnified Person.

If, for any reason (other than the gross negligence or willful misconduct of an Indemnified Person as provided above) the foregoing indemnity is judicially determined to be unavailable to an Indemnified Person for any reason or insufficient to hold any Indemnified Person harmless, then the Debtors agree to contribute to any such Losses in such proportion as is appropriate to reflect the relative benefits received or proposed to be received by the Debtors on the one hand and by Jefferies on the other, from the Transaction or proposed Transaction or, if allocation on that basis is not permitted under applicable law, in such proportion as is appropriate to reflect not only the relative benefits received by the Debtors and the Committee on the one hand and Jefferies on the other, but also the relative fault of the Debtors and the Committee, as applicable and Jefferies, as well as any relevant equitable considerations. Notwithstanding the provisions hereof, the aggregate contribution of all Indemnified Persons to all Losses shall not exceed the amount of fees actually received by Jefferies with respect to the services rendered pursuant to the Agreement. Relative benefits to the Debtors and the Committee, as applicable, on the one hand, and to Jefferies, on the other hand, shall be deemed to be in the same proportion as (i) the total transaction value of the Transaction or the proposed Transaction bears to (ii) all fees actually received by Jefferies in connection with the Agreement.

The Debtors agree to reimburse the Indemnified Persons for all expenses (including, without limitation, fees and expenses of counsel) as they are incurred in connection with investigating, preparing, defending or settling any Action for which indemnification or contribution has or is reasonably likely to be sought by the Indemnified Person, whether or not in connection with litigation in which any Indemnified Person is a named party; provided that if any such reimbursement is determined by a final, non-appealable judgment by a court or arbitral tribunal, to have resulted solely from Jefferies' gross negligence or willful misconduct, such Indemnified Person shall promptly repay such amount to the Debtors. If any of Jefferies' professional personnel appears as witness, is deposed or is otherwise involved in the defense of any Action against Jefferies, the Debtors or the Debtors' affiliates, officers, managers, directors or employees, the Debtors will pay Jefferies (i) with respect to each day that

such person appears as a witness or is deposed and/or (ii) with respect to each day that such person is involved in the preparation therefor, (a) a fee of \$4,000 per day for each such person with respect to each appearance as a witness or a deponent and (b) at a rate of \$400 per hour with respect to each hour of preparation for any such appearance, and the Debtors will reimburse Jefferies for all reasonable out-of-pocket expenses incurred by Jefferies by reason of any of its personnel being involved in any such Action.

The indemnity, contribution and expense reimbursement obligations set forth herein (i) shall be in addition to any liability the Debtors may have to any Indemnified Person at common law or otherwise, (ii) shall survive the expiration or termination of the Agreement or completion of Jefferies' services hereunder, (iii) shall apply to any modification of Jefferies' engagement, (iv) shall remain operative and in full force and effect regardless of any investigation made by or on behalf of Jefferies or any other Indemnified Person, (v) shall be binding on any successor or assign of the Debtors and the Committee and successors or assigns to the Debtors' business and assets and (vi) shall inure to the benefit of any successor or assign of any Indemnified Person.



**Jefferies & Company, Inc.**  
520 Madison Avenue, 17th Floor  
New York, New York 10022  
*tel* (212) 284-2550  
*fax* (212) 284-2540  
[www.jefferies.com](http://www.jefferies.com)

Circuit City Stores, Inc.  
Attn: James Marcum & Reginald D. Hedgebeth  
9950 Mayland Drive  
Richmond, Virginia 23233

Skadden, Arps, Slate, Meagher, & Flom LLP  
Attn: Gregg M. Galardi, Esq.  
One Rodney Square, P.O. Box 636  
Wilmington, Delaware 19899

McGuireWoods LLP  
Attn: Dion W. Hayes, Esq.  
One James Center  
901 E. Cary Street  
Richmond, Virginia 23219

The Office of the United States Trustee for the Eastern District of Virginia  
Attn: Robert B. Van Arsdale  
701 East Broad Street, Suite 4304  
Richmond, Virginia 23219

Pachulski Stang Ziehl & Jones LLP  
Attn: Jeff Pomerantz, Esq.  
10100 Santa Monica Boulevard, 11<sup>th</sup> Floor  
Los Angeles, California 90067-4100

**Re: Order Granting Motion to Authorize Under Bankruptcy Code Sections 105(a) and 331  
Establishing Procedures for Interim Compensation (Docket No. 830)**

Pursuant to the above referenced order, please find enclosed the first Monthly Statement covering the period of November 18, 2008 through December 17, 2008 for Jefferies & Company, Inc.

If you have any questions, please contact Michael Henkin (415-229-1426) or Rich Klein (212-708-2733).

Regards,

Jefferies & Company, Inc.

**Jefferies & Company, Inc.**

March 12, 2009

Page 2

Re: Circuit City Stores, Inc. et al (collectively the "Debtors")  
**Bankruptcy Case No. 08-35653**  
**Jefferies & Company, Inc.**  
**Monthly Statement – November 18, 2008 – December 17, 2008**

Gentlemen:

Jefferies & Company, Inc. ("Jefferies") submits the annexed statement of fees and expenses for the period of November 18 2008 through December 17, 2008 (the "Compensation Period") as Financial Advisors for the Official Committee of Unsecured Creditors in accordance with the *Order Establishing Procedures For Interim Compensation* entered on December 9, 2008 (the "Interim Compensation Order").

The total amount of fees and expenses for Jefferies on this statement cover the period November 18, 2008 through December 17, 2008, is \$200,094.60, which consists of fees in the amount of \$200,000.00 and expenses in the amount of \$94.60. Pursuant to the Interim Compensation Order, Jefferies requests payment from the Debtors in the total amount of \$170,094.60, representing 85% of the total monthly fees in the amount of \$170,000.00 plus the total monthly expenses in the amount of \$94.60.<sup>1</sup>

All amounts sought herein are consistent with the Court's approval authorizing the employment of Jefferies & Company, Inc. as financial advisor to the Official Committee of Unsecured Creditors Retroactive to November 18, 2008, reflected on the Court's docket as of January 16, 2009 (Docket #1682).

If you have any questions or comments regarding the foregoing, please do not hesitate to contact me.

Dated: New York, NY  
March 12, 2009

Jefferies & Company, Inc.



Richard Klein  
Senior Vice President  
Jefferies & Company, Inc.  
520 Madison Ave., 17<sup>th</sup> Fl.  
New York, NY 10022  
Tel: (212) 708-2733  
Fax: (212) 284-2540

---

<sup>1</sup> The Interim Compensation Order requires that 15% of fees be held back (the "Holdback") and for approval of the Holdback to be sought through a formal fee application to be filed with the Court.



Jefferies & Company, Inc.  
520 Madison Avenue  
12th Floor  
New York, NY 10022

**INVOICE**

Invoice Number: 7407  
Invoice Date: 3/12/2009  
Reference #: CIR867001B  
Terms: Immediate

**Official Committee of the Unsecured Creditors  
of Circuit City Stores, Inc.**  
9950 Mayland Drive  
Richmond, Virginia 23233

Attention: Ramona Neal  
Chairperson

Re: Advisory Services

For services rendered in accordance with our engagement letter dated November 18, 2008

<b>Monthly Fee:</b>	
November 18, 2008 - December 17, 2008 <sup>(1)</sup>	\$200,000.00
15% Holdback	<del>\$30,000.00</del>
<b>Total Fee:</b>	<b>\$170,000.00</b>

<b>Expenses<sup>(2)</sup> :</b>	
Meals	\$45.10
Phone/Fax	<del>\$49.50</del>
<b>Total Expenses</b>	<b>\$94.60</b>

**TOTAL DUE** **\$170,094.60**

**Payment Details**

Wire Instructions

Bank of New York  
ABA #021000018  
A/C: Jefferies & Company, Inc.  
A/C: #890-065-2772

Check Payment Instructions

Jefferies & Company, Inc.  
11100 Santa Monica Blvd.  
12th Floor  
Los Angeles, CA 90025

Reference: CIR867-7407-Circuit City

(1) Jefferies was retained nunc pro tunc to November 18, 2008  
(2) Expenses were incurred post-petition and posted between November 10, 2008 and November 30, 2008

**Jefferies & Company, Inc.**

**Summary of Hours Worked**

November 18, 2008 - November 30, 2008

<u>Name</u>	<u>Position</u>	<u>Hours Worked</u>
Michael Henkin	Managing Director, Recapitalization and Restructuring Group	43.75
Steve Tricarico	Managing Director, Consumer Group	15.00
Richard Klein	Senior Vice President, Recapitalization and Restructuring Group	34.50
Matthew Rush	Vice President, Consumer Group	17.00
Adam Steinberg	Vice President, Recapitalization and Restructuring Group	50.25
Nathan Brawn	Analyst, Recapitalization and Restructuring Group	69.25
Vishal Gupta	Analyst, Recapitalization and Restructuring Group	80.75
Cory Shamis	Analyst, Generalist	36.50
James Boyd	Analyst, Consumer Group	12.50
<b>Total</b>		<b><u>359.50</u></b>

Other Jefferies professionals who participated but do not keep hours:

Justin Despirito	Legal Counsel
Patrick Morrow	Paralegal



Jefferies & Company, Inc.

November 18, 2008 - November 30, 2008

Banker	Date	Description	Hours
Cory Shamis	11/18/2008	Administrative	5.00
Cory Shamis	11/18/2008	Drafting committee materials	9.50
Adam Steinberg	11/19/2008	Meetings with committee, advisors, debtor	7.00
Matthew Rush	11/19/2008	Meetings with committee, advisors, debtor	7.00
Michael Henkin	11/19/2008	Meetings with committee, professional advisors & debtor	7.00
Nathan Brawn	11/19/2008	Meetings with committee, advisors, debtor	7.00
Richard Klein	11/19/2008	Meetings with committee, advisors, debtor	7.00
Steve Tricarico	11/19/2008	Call with Committee	6.00
Vishal Gupta	11/19/2008	Travel from SF to Washington DC	7.00
Vishal Gupta	11/19/2008	Meetings with committee, advisors, debtor	7.00
Adam Steinberg	11/20/2008	Call with Jefferies team	1.00
Cory Shamis	11/20/2008	Call with Jefferies team	0.50
James Boyd	11/20/2008	Internal Call	1.00
Matthew Rush	11/20/2008	Internal Call	1.00
Michael Henkin	11/20/2008	Travel from Wash DC to SF; document review	6.50
Michael Henkin	11/20/2008	Document review; communication with Jefferies team (internal)	1.50
Michael Henkin	11/20/2008	Call with Jefferies team (internal)	1.00
Nathan Brawn	11/20/2008	Call with Jefferies team	1.00
Richard Klein	11/20/2008	Call with Jefferies team	1.00
Vishal Gupta	11/20/2008	Travel from Washington DC to SF	7.00
Vishal Gupta	11/20/2008	Internal call	1.00
Vishal Gupta	11/20/2008	Work on diligence	4.50
Adam Steinberg	11/21/2008	Meeting with Company's advisors	2.50
Adam Steinberg	11/21/2008	Administrative & internal communications	2.00
Adam Steinberg	11/21/2008	Financial Analysis	2.00
James Boyd	11/21/2008	Call with Rothschild	0.50
Matthew Rush	11/21/2008	Call with Rothschild	0.50
Michael Henkin	11/21/2008	Call with advisors, follow-up calls internally	2.00
Michael Henkin	11/21/2008	Work on retention and other documentation	1.00
Nathan Brawn	11/21/2008	Meeting with Company's advisors	2.50
Nathan Brawn	11/21/2008	Review of preliminary list of potential acquirers	0.50
Nathan Brawn	11/21/2008	Review of data room index	2.00
Nathan Brawn	11/21/2008	Administrative	1.00
Richard Klein	11/21/2008	Meeting with Company's advisors	2.50
Steve Tricarico	11/21/2008	Call with Rothschild & Preparation	3.00
Vishal Gupta	11/21/2008	Data room review / work	7.00
Vishal Gupta	11/21/2008	Call with advisors	1.00
Vishal Gupta	11/21/2008	Work on diligence	3.00
Adam Steinberg	11/22/2008	Electronic communication with Committee Advisors	1.50
Adam Steinberg	11/22/2008	Internal call with Jefferies team	1.50
Cory Shamis	11/22/2008	Work on presentation materials	0.50
Michael Henkin	11/22/2008	Internal call with Jefferies team; document review	2.50
Nathan Brawn	11/22/2008	Financial analysis - DIP comparables	3.00
Nathan Brawn	11/22/2008	Administrative	1.00
Nathan Brawn	11/22/2008	Review of Debtor's advisor retention applications	2.50
Nathan Brawn	11/22/2008	Internal call with Jefferies team	1.50
Richard Klein	11/22/2008	Internal call with Jefferies team	1.50
Vishal Gupta	11/22/2008	Document research	1.00
Vishal Gupta	11/22/2008	Diligence work	3.00
Vishal Gupta	11/22/2008	Internal call with Jefferies team	1.50
Adam Steinberg	11/23/2008	Internal call with Jefferies team	0.50
Michael Henkin	11/23/2008	Document review; Jefferies internal discussions	1.50
Nathan Brawn	11/23/2008	Review of InterTAN data room	3.50
Nathan Brawn	11/23/2008	Financial analysis - DIP comparables & debtor's advisors fee analysis	6.00
Nathan Brawn	11/23/2008	Work on Committee presentation	1.50
Nathan Brawn	11/23/2008	Internal call with Jefferies team	0.50
Richard Klein	11/23/2008	Internal call	0.50
Vishal Gupta	11/23/2008	Data room review / work	7.00
Vishal Gupta	11/23/2008	Internal call	0.50
Adam Steinberg	11/24/2008	Telephonic Communication with Committee Advisors	2.75
Adam Steinberg	11/24/2008	Review of due diligence materials	1.00
Adam Steinberg	11/24/2008	Worked on presentation to committee	3.00

Jefferies & Company, Inc.

November 18, 2008 - November 30, 2008

Banker	Date	Description	Hours
Cory Shamis	11/24/2008	Call with advisors	2.75
James Boyd	11/24/2008	Advisor Call	1.00
James Boyd	11/24/2008	Call with Rothschild	2.00
James Boyd	11/24/2008	Advisor Call	1.00
Matthew Rush	11/24/2008	Advisor Call	1.00
Matthew Rush	11/24/2008	Call with Rothschild	1.50
Matthew Rush	11/24/2008	Advisor Call	1.00
Michael Henkin	11/24/2008	Call with committee advisors and counsel	2.75
Michael Henkin	11/24/2008	Document review; communication with Jefferies team (internal)	2.50
Nathan Brawn	11/24/2008	Call with advisors	2.75
Nathan Brawn	11/24/2008	Work on Committee presentation	7.00
Nathan Brawn	11/24/2008	Financial analysis - Debtor advisor fee analysis	3.00
Richard Klein	11/24/2008	Call with counsel	1.00
Richard Klein	11/24/2008	Document review	0.50
Richard Klein	11/24/2008	Presentation review	1.00
Richard Klein	11/24/2008	Call with advisors	1.00
Richard Klein	11/24/2008	Call with committee	1.50
Richard Klein	11/24/2008	Review of court filings	2.00
Steve Tricarico	11/24/2008	Advisor Call	2.00
Vishal Gupta	11/24/2008	Call with advisors	2.75
Vishal Gupta	11/24/2008	Data room review / work	4.75
Adam Steinberg	11/25/2008	Worked on presentation to committee	2.00
Adam Steinberg	11/25/2008	Various administrative / diligence	1.00
Adam Steinberg	11/25/2008	Review of due diligence materials	2.00
Adam Steinberg	11/25/2008	Communication with Company / Committee Advisors, Jefferies team	4.00
Cory Shamis	11/25/2008	Call with advisors; Work on presentation materials	2.75
Cory Shamis	11/25/2008	Call with Jefferies team	0.25
Cory Shamis	11/25/2008	Calls and correspondence with Jefferies team	1.75
Cory Shamis	11/25/2008	Call with committee, debtor	2.00
James Boyd	11/25/2008	Committee Call	2.00
James Boyd	11/25/2008	Call with Debtor	2.00
Matthew Rush	11/25/2008	Committee Call	1.00
Matthew Rush	11/25/2008	Call with Debtor	2.00
Michael Henkin	11/25/2008	Call with counsel, advisors	2.25
Michael Henkin	11/25/2008	Call with advisors; document review	2.75
Michael Henkin	11/25/2008	Call with Jefferies team (internal)	0.50
Michael Henkin	11/25/2008	Document / plan review; calls with Jefferies team (internal)	1.75
Michael Henkin	11/25/2008	Calls with committee, advisors, debtor	2.25
Nathan Brawn	11/25/2008	Administrative	1.00
Nathan Brawn	11/25/2008	Review of due diligence materials	2.00
Nathan Brawn	11/25/2008	Work on Committee presentation	5.00
Nathan Brawn	11/25/2008	Calls with committee, advisors, Jefferies team	4.50
Nathan Brawn	11/25/2008	Review of preliminary list of potential acquirers	1.00
Nathan Brawn	11/25/2008	Financial analysis - Debtor advisor fee analysis	3.00
Richard Klein	11/25/2008	Calls with committee, advisors, Jefferies team	4.50
Richard Klein	11/25/2008	Financials review	1.00
Richard Klein	11/25/2008	Document review	0.50
Steve Tricarico	11/25/2008	Committee Call	2.00
Vishal Gupta	11/25/2008	Call with advisors, counsel	4.50
Vishal Gupta	11/25/2008	Internal call	0.50
Vishal Gupta	11/25/2008	Internal calls, agenda review	1.75
Adam Steinberg	11/26/2008	Communication with Company Advisors	0.50
Adam Steinberg	11/26/2008	Communication with Committee Advisors	3.00
Adam Steinberg	11/26/2008	Review of draft committee communication	3.00
Adam Steinberg	11/26/2008	Administrative (conflict check)	0.50
Adam Steinberg	11/26/2008	Review of Debtor fee comps	4.00
Cory Shamis	11/26/2008	Work on presentation materials	4.50
Cory Shamis	11/26/2008	Presentation / analysis review	2.00
Michael Henkin	11/26/2008	Document / presentation review	2.00
Nathan Brawn	11/26/2008	Work on Committee presentation	2.00
Nathan Brawn	11/26/2008	Administrative (conflict check)	0.50
Richard Klein	11/26/2008	Communication with Company Advisors	0.50

Jefferies & Company, Inc.

November 18, 2008 - November 30, 2008

Banker	Date	Description	Hours
Vishal Gupta	11/26/2008	Work on presentation	6.50
Cory Shamis	11/27/2008	Work on presentation materials	3.00
Richard Klein	11/27/2008	Presentation review	1.50
Vishal Gupta	11/27/2008	Work on presentation	3.00
Adam Steinberg	11/28/2008	Review of court filings	2.00
Adam Steinberg	11/28/2008	Jefferies team internal call	0.50
Cory Shamis	11/28/2008	Presentation / analysis review	1.50
Cory Shamis	11/28/2008	Internal call with Jefferies team	0.50
Michael Henkin	11/28/2008	Document / presentation review; calls with Jefferies team (internal)	1.50
Nathan Brawn	11/28/2008	Review of court filings	2.00
Nathan Brawn	11/28/2008	Internal call	0.50
Richard Klein	11/28/2008	Draft DIP changes	1.50
Richard Klein	11/28/2008	Jefferies team internal call	0.50
Vishal Gupta	11/28/2008	Work on presentation	1.50
Vishal Gupta	11/28/2008	Internal call	0.50
Adam Steinberg	11/29/2008	Review of court filings	2.00
Michael Henkin	11/29/2008	Document review; communication with Jefferies team, advisors	1.00
Nathan Brawn	11/29/2008	Review of court filings	1.50
Richard Klein	11/29/2008	Review of fee changes	0.50
Richard Klein	11/29/2008	Review of DIP changes	1.00
Richard Klein	11/29/2008	Review of advisor division of responsibilities	1.00
Vishal Gupta	11/29/2008	Work on presentation	3.00
Adam Steinberg	11/30/2008	Review of DIP facility	1.00
James Boyd	11/30/2008	M&A Process Update Call	3.00
Matthew Rush	11/30/2008	M&A Process Update Call	2.00
Michael Henkin	11/30/2008	Communication with Jefferies team; document review	1.50
Richard Klein	11/30/2008	Review of DIP changes	0.50
Richard Klein	11/30/2008	Review of fee changes	1.00
Richard Klein	11/30/2008	Call with advisors	1.00
Steve Tricarico	11/30/2008	M&A Process Update Call	2.00
Vishal Gupta	11/30/2008	Work with team to prepare fee comps analyses	1.50
<b>TOTAL</b>			<b>359.50</b>



**Jefferies & Company, Inc.**  
520 Madison Avenue, 17th Floor  
New York, New York 10022  
*tel* (212) 284-2550  
*fax* (212) 284-2540  
[www.jefferies.com](http://www.jefferies.com)

Circuit City Stores, Inc.  
Attn: James Marcum & Reginald D. Hedgebeth  
9950 Mayland Drive  
Richmond, Virginia 23233

Skadden, Arps, Slate, Meagher, & Flom LLP  
Attn: Gregg M. Galardi, Esq.  
One Rodney Square, P.O. Box 636  
Wilmington, Delaware 19899

McGuireWoods LLP  
Attn: Dion W. Hayes, Esq.  
One James Center  
901 E. Cary Street  
Richmond, Virginia 23219

The Office of the United States Trustee for the Eastern District of Virginia  
Attn: Robert B. Van Arsdale  
701 East Broad Street, Suite 4304  
Richmond, Virginia 23219

Pachulski Stang Ziehl & Jones LLP  
Attn: Jeff Pomerantz, Esq.  
10100 Santa Monica Boulevard, 11<sup>th</sup> Floor  
Los Angeles, California 90067-4100

**Re: Order Granting Motion to Authorize Under Bankruptcy Code Sections 105(a) and 331  
Establishing Procedures for Interim Compensation (Docket No. 830)**

Pursuant to the above referenced order, please find enclosed the second Monthly Statement covering the period of December 18, 2008 through January 17, 2009 for Jefferies & Company, Inc.

If you have any questions, please contact Michael Henkin (415-229-1426) or Rich Klein (212-708-2733).

Regards,

Jefferies & Company, Inc.

**Jefferies & Company, Inc.**

March 12, 2009

Page 2

**Re: Circuit City Stores, Inc. et al (collectively the "Debtors")**  
**Bankruptcy Case No. 08-35653**  
**Jefferies & Company, Inc.**  
**Monthly Statement – December 18, 2008 – January 17, 2009**

Gentlemen:

Jefferies & Company, Inc. ("Jefferies") submits the annexed statement of fees and expenses for the period of December 18 2008 – January 17, 2009 (the "Compensation Period") as Financial Advisors for the Official Committee of Unsecured Creditors in accordance with the *Order Establishing Procedures For Interim Compensation* entered on December 9, 2008 (the "Interim Compensation Order").

The total amount of fees and expenses for Jefferies on this statement cover the period December 18, 2008 through January 17, 2009, is \$209,497.09, which consists of fees in the amount of \$200,000.00 and expenses in the amount of \$9,497.09. Pursuant to the Interim Compensation Order, Jefferies requests payment from the Debtors in the total amount of \$179,497.09, representing 85% of the total monthly fees in the amount of \$170,000.00 plus the total monthly expenses in the amount of \$9,497.09.<sup>1</sup>

All amounts sought herein are consistent with the Court's approval authorizing the employment of Jefferies & Company, Inc. as financial advisor to the Official Committee of Unsecured Creditors Retroactive to November 18, 2008, reflected on the Court's docket as of January 16, 2009 (Docket #1682).

If you have any questions or comments regarding the foregoing, please do not hesitate to contact me.

Dated: New York, NY  
March 12, 2009

Jefferies & Company, Inc.



Richard Klein  
Senior Vice President  
Jefferies & Company, Inc.  
520 Madison Ave., 17<sup>th</sup> Fl.  
New York, NY 10022  
Tel: (212) 708-2733  
Fax: (212) 284-2540

---

<sup>1</sup> The Interim Compensation Order requires that 15% of fees be held back (the "Holdback") and for approval of the Holdback to be sought through a formal fee application to be filed with the Court.

## Jefferies

Jefferies & Company, Inc.  
520 Madison Avenue  
12th Floor  
New York, NY 10022

### INVOICE

Invoice Number: 7420  
Invoice Date: 3/12/2009  
Reference #: CIR86700IB  
Terms: Immediate

Official Committee of the Unsecured Creditors  
of Circuit City Stores, Inc.  
9950 Mayland Drive  
Richmond, Virginia 23233

Attention: Ramona Neal  
Chairperson

Re: Advisory Services

For services rendered in accordance with our engagement letter dated November 18, 2008

<b>Monthly Fee:</b>	
December 18, 2008 - January 17, 2009	\$200,000.00
15% Holdback	\$30,000.00
<b>Total Fee</b>	<b>\$170,000.00</b>
<b>Expenses:</b>	
Accommodations	\$1,155.37
Financial Research	\$20.01
Meals	\$996.52
Phone/Fax	\$24.44
Shipping Charges	\$13.26
Transportation - Air	\$6,281.17
Transportation - Ground	\$1,006.32
<b>Total Expenses</b>	<b>\$9,497.09</b>

**TOTAL DUE** **\$179,497.09**

#### Payment Details

##### Wire Instructions

Bank of New York  
ABA #021000018  
A/C: Jefferies & Company, Inc.  
A/C: #890-065-2772

##### Check Payment Instructions

Jefferies & Company, Inc.  
11100 Santa Monica Blvd.  
12th Floor  
Los Angeles, CA 90025

Reference: CIR867-7420-Circuit City

**Jefferies & Company, Inc.**

**Summary of Hours Worked**

December 1, 2008 - December 31, 2008

<u>Name</u>	<u>Position</u>	<u>Hours Worked</u>
Michael Henkin	Managing Director, Recapitalization and Restructuring Group	99.00
Steve Tricarico	Managing Director, Consumer Group	46.50
Richard Klein	Senior Vice President, Recapitalization and Restructuring	77.00
Matthew Rush	Vice President, Consumer Group	34.00
Adam Steinberg	Vice President, Recapitalization and Restructuring Group	68.75
Nathan Brawn	Analyst, Recapitalization and Restructuring Group	94.75
Vishal Gupta	Analyst, Recapitalization and Restructuring Group	108.25
Cory Shamis	Analyst, Generalist	72.25
James Boyd	Analyst, Consumer Group	43.00
<b>Total</b>		<b><u><u>643.50</u></u></b>

Other Jefferies professionals who participated but do not keep hours:

Justin Despirito	Legal Counsel
Patrick Morrow	Paralegal

Jefferies & Company, Inc.

December 1, 2008 - December 31, 2008

Banker	Date	Description	Hours
Adam Steinberg	12/1/2008	Various administrative regarding travel, coordinating schedules	1.00
Adam Steinberg	12/1/2008	Communication with Debtors advisors	0.50
Adam Steinberg	12/1/2008	Call with Counsel	2.00
Adam Steinberg	12/1/2008	Committee Call	2.00
Adam Steinberg	12/1/2008	Review of draft liquidation analysis; Call with Jefferies team	1.50
Cory Shamis	12/1/2008	Call with advisors	1.00
Cory Shamis	12/1/2008	Call with committee	2.00
Cory Shamis	12/1/2008	Call with internal Jefferies team	0.50
James Boyd	12/1/2008	SG&A Analysis	8.00
James Boyd	12/1/2008	DIP Fee Call	1.00
James Boyd	12/1/2008	Committee Call	2.50
Matthew Rush	12/1/2008	DIP Fee Call	1.00
Matthew Rush	12/1/2008	Committee Call	1.50
Michael Henkin	12/1/2008	Agenda review; memo/e-mail review	2.00
Michael Henkin	12/1/2008	Call with counsel, advisors, internal team	1.00
Michael Henkin	12/1/2008	Document review	1.50
Michael Henkin	12/1/2008	Call with committee	2.00
Nathan Brawn	12/1/2008	Administrative	1.00
Nathan Brawn	12/1/2008	Review of Committee presentation	0.50
Nathan Brawn	12/1/2008	Call with Counsel	2.00
Nathan Brawn	12/1/2008	Committee Call	2.00
Nathan Brawn	12/1/2008	Review of draft liquidation analysis; Call with Jefferies team	2.50
Richard Klein	12/1/2008	Review of counsel materials	1.50
Richard Klein	12/1/2008	Call with counsel	2.00
Richard Klein	12/1/2008	Call with committee	2.00
Richard Klein	12/1/2008	Call with Jefferies team	0.50
Richard Klein	12/1/2008	Review of retention documents	1.00
Steve Tricarico	12/1/2008	Committee Call	2.50
Vishal Gupta	12/1/2008	Call with advisors	1.00
Vishal Gupta	12/1/2008	Call with committee	2.00
Vishal Gupta	12/1/2008	Call with internal Jefferies team	0.50
Adam Steinberg	12/2/2008	Meeting with Company & Company advisors to conduct diligence	3.00
Adam Steinberg	12/2/2008	Review of financial projections	2.00
Adam Steinberg	12/2/2008	Jefferies call for presentation	0.50
Cory Shamis	12/2/2008	Call with advisors	2.00
Cory Shamis	12/2/2008	Internal call	0.50
Matthew Rush	12/2/2008	Diligence Session with CFO	7.00
Michael Henkin	12/2/2008	Liquidation / DIP / fee analysis review	1.25
Michael Henkin	12/2/2008	Work on presentation; correspondence review	3.50
Michael Henkin	12/2/2008	Call with company, advisors	1.25
Nathan Brawn	12/2/2008	Meeting with Company & Company advisors to conduct diligence	3.00
Nathan Brawn	12/2/2008	Jefferies internal team call	0.50
Nathan Brawn	12/2/2008	Review of financial projections and Rothschild Analysis	3.00
Richard Klein	12/2/2008	Presentation review	2.00
Richard Klein	12/2/2008	Discussion with Jefferies team on presentation materials	0.50
Richard Klein	12/2/2008	Review of fee proposals	1.00
Steve Tricarico	12/2/2008	M&A Process	3.00
Vishal Gupta	12/2/2008	Internal call re: presentation	0.50
Vishal Gupta	12/2/2008	Work on presentation	2.00
Vishal Gupta	12/2/2008	Travel from SF to Richmond (overnight)	9.00
Vishal Gupta	12/2/2008	Meeting with debtor, advisors on-site	8.00
Adam Steinberg	12/3/2008	Worked on presentation to committee	8.00
Cory Shamis	12/3/2008	Work on presentation materials / analysis	7.00
Michael Henkin	12/3/2008	Document / presentation review	2.00
Michael Henkin	12/3/2008	Travel from NYC to Washington DC	5.25
Nathan Brawn	12/3/2008	Work on Committee presentation & internal call	9.00
Richard Klein	12/3/2008	Presentation review	1.00
Richard Klein	12/3/2008	Discussion with Jefferies team on presentation materials	0.50
Richard Klein	12/3/2008	Review of fee proposals	2.50
Richard Klein	12/3/2008	Travel	3.00
Richard Klein	12/3/2008	Presentation & document review	2.00
Steve Tricarico	12/3/2008	M&A Process	3.00



Jefferies & Company, Inc.

December 1, 2008 - December 31, 2008

Banker	Date	Description	Hours
Vishal Gupta	12/3/2008	Work on presentation / analysis	6.00
Vishal Gupta	12/3/2008	Travel from Richmond to Washington DC	3.00
Vishal Gupta	12/3/2008	Work on analysis and presentation and internal call	4.00
Adam Steinberg	12/4/2008	Committee Mtg, Discussion with debtor's advisors, financial analysis	13.50
Cory Shamis	12/4/2008	Administrative	4.00
Cory Shamis	12/4/2008	Advisor fee analysis	2.00
Cory Shamis	12/4/2008	Meeting with committee, advisors, negotiations	8.00
James Boyd	12/4/2008	Committee Call	4.50
Matthew Rush	12/4/2008	Committee Call	4.50
Michael Henkin	12/4/2008	Meetings with committee and debtor	13.00
Nathan Brawn	12/4/2008	Committee mtg, Discussion with debtor's advisors, financial analysis	9.50
Richard Klein	12/4/2008	Meeting with committee	5.00
Richard Klein	12/4/2008	Fee negotiations with advisors	1.00
Richard Klein	12/4/2008	Travel	3.00
Steve Tricarico	12/4/2008	Committee Call, Preparation	12.00
Vishal Gupta	12/4/2008	Administrative	4.00
Vishal Gupta	12/4/2008	Committee meeting; fee comps analysis work	12.00
Adam Steinberg	12/5/2008	Email communication with deal team members (including advisors)	0.50
Adam Steinberg	12/5/2008	Review of Rothschild fee settlement	0.50
Adam Steinberg	12/5/2008	Financial Analysis	1.00
Adam Steinberg	12/5/2008	Various administrative	1.00
Cory Shamis	12/5/2008	Document review	1.00
Michael Henkin	12/5/2008	Travel from Washington DC to SF; document review	9.00
Nathan Brawn	12/5/2008	Review of Industry News	2.50
Nathan Brawn	12/5/2008	Review of Rothschild fee settlement	0.50
Nathan Brawn	12/5/2008	Administrative	1.00
Richard Klein	12/5/2008	Review of DIP documents	1.00
Richard Klein	12/5/2008	Review and comments on retention documents	1.50
Richard Klein	12/5/2008	Fee negotiations with advisors	0.50
Steve Tricarico	12/5/2008	M&A Process Call	2.00
Vishal Gupta	12/5/2008	Travel from Washington DC to SF	9.00
Vishal Gupta	12/5/2008	Document updates	1.00
Michael Henkin	12/6/2008	Work / review of DIP; communications with counsel, Jefferies team	2.00
Adam Steinberg	12/8/2008	Calls with advisors, counsel	2.00
Cory Shamis	12/8/2008	Call with advisors and counsel	2.00
Michael Henkin	12/8/2008	Document review; communication with counsel	1.75
Michael Henkin	12/8/2008	Communication with counsel, Jefferies team; document review	2.00
Nathan Brawn	12/8/2008	Calls with advisors, counsel	2.00
Richard Klein	12/8/2008	Calls with advisors, counsel	2.00
Richard Klein	12/8/2008	Related news review	1.00
Richard Klein	12/8/2008	Review of retention documents	0.50
Vishal Gupta	12/8/2008	Calls with advisors, counsel	2.00
Adam Steinberg	12/9/2008	Committee call	2.00
Cory Shamis	12/9/2008	Call with committee	2.00
James Boyd	12/9/2008	Committee Call	2.00
Michael Henkin	12/9/2008	Analysis review	2.00
Michael Henkin	12/9/2008	Call with committee	1.50
Nathan Brawn	12/9/2008	Committee call	2.00
Richard Klein	12/9/2008	Call with committee	2.00
Steve Tricarico	12/9/2008	Committee Call	1.00
Vishal Gupta	12/9/2008	Call with committee	2.00
Adam Steinberg	12/10/2008	Committee calls	2.25
Cory Shamis	12/10/2008	Call with committee	1.75
Cory Shamis	12/10/2008	Call with advisors	0.75
James Boyd	12/10/2008	Committee Call	2.00
Matthew Rush	12/10/2008	Committee Call	2.00
Michael Henkin	12/10/2008	Calls with professionals and committee	3.00
Nathan Brawn	12/10/2008	Calls with various committee	2.00
Richard Klein	12/10/2008	Prep call with advisors & counsel	0.50
Richard Klein	12/10/2008	Call with committee	1.50
Richard Klein	12/10/2008	Call with Jefferies team	0.50
Richard Klein	12/10/2008	Administrative	0.50

Jefferies & Company, Inc.

December 1, 2008 - December 31, 2008

Banker	Date	Description	Hours
Vishal Gupta	12/10/2008	Call with committee	1.50
Vishal Gupta	12/10/2008	Call with advisors, counsel	0.75
Adam Steinberg	12/11/2008	Call with Professionals	1.50
Adam Steinberg	12/11/2008	Call with Counsel	1.50
Cory Shamis	12/11/2008	Call with Jefferies team	1.00
Cory Shamis	12/11/2008	Call with advisors	1.50
Cory Shamis	12/11/2008	Call with counsel	1.50
James Boyd	12/11/2008	M&A Process Update Call & document draft	3.00
James Boyd	12/11/2008	M&A Process Update Call	2.00
Michael Henkin	12/11/2008	Calls with advisors, Jefferies team	1.50
Michael Henkin	12/11/2008	Calls with counsel; work on documents	1.50
Nathan Brawn	12/11/2008	Call with Committee Professionals	1.50
Nathan Brawn	12/11/2008	Call with Committee Counsel	1.50
Richard Klein	12/11/2008	Call with advisors and debtor	1.00
Richard Klein	12/11/2008	Correspondence with counsel; draft documentation	1.00
Richard Klein	12/11/2008	Call with counsel	2.50
Richard Klein	12/11/2008	M&A process update from advisors	0.50
Steve Tricarico	12/11/2008	M&A Process Update Call	2.00
Vishal Gupta	12/11/2008	Internal call	1.00
Vishal Gupta	12/11/2008	Call with advisors	1.50
Vishal Gupta	12/11/2008	Call with counsel	1.50
Adam Steinberg	12/12/2008	Committee Call	3.50
Cory Shamis	12/12/2008	Calls with banks, debtor, committee	3.50
James Boyd	12/12/2008	Call with Lenders	3.00
James Boyd	12/12/2008	Committee Call prep	1.00
James Boyd	12/12/2008	Committee Call	2.50
Matthew Rush	12/12/2008	Call with Lenders	3.00
Matthew Rush	12/12/2008	Committee Call prep	0.50
Matthew Rush	12/12/2008	Committee Call	2.50
Michael Henkin	12/12/2008	Call with committee; communication with committee, counsel	3.50
Michael Henkin	12/12/2008	Meeting participation with company and committee	1.50
Nathan Brawn	12/12/2008	Call with committee	3.50
Richard Klein	12/12/2008	Meeting with debtor, banks, committee	6.00
Steve Tricarico	12/12/2008	Committee Call	3.00
Vishal Gupta	12/12/2008	Calls with banks, committee	4.00
Matthew Rush	12/13/2008	M&A Process Call	1.00
Michael Henkin	12/13/2008	Document review	1.00
Steve Tricarico	12/13/2008	M&A Process Call	1.00
Adam Steinberg	12/14/2008	Calls with Professionals, Jefferies internal	2.50
Cory Shamis	12/14/2008	Call with Jefferies team	0.50
Cory Shamis	12/14/2008	Call with committee	2.00
Cory Shamis	12/14/2008	Analysis and research on court filings	1.00
Nathan Brawn	12/14/2008	Review of court filings	2.00
Nathan Brawn	12/14/2008	Calls with Committee Professionals, Jefferies team	2.50
Richard Klein	12/14/2008	Call with counsel and advisors	2.00
Richard Klein	12/14/2008	Call with Jefferies team	0.50
Vishal Gupta	12/14/2008	Call with Committee advisors, Jefferies internal	2.00
Vishal Gupta	12/14/2008	DIP research and analysis work	1.75
Adam Steinberg	12/15/2008	Call with Professionals	1.25
Adam Steinberg	12/15/2008	Committee Call	2.00
Cory Shamis	12/15/2008	Call with advisors	1.50
Cory Shamis	12/15/2008	Call with committee	2.00
Cory Shamis	12/15/2008	DIP analysis	4.25
James Boyd	12/15/2008	Advisor Call	0.50
James Boyd	12/15/2008	Committee Call prep	0.50
James Boyd	12/15/2008	Committee Call	2.00
Matthew Rush	12/15/2008	Advisor Call	0.50
Matthew Rush	12/15/2008	Committee Call prep	0.50
Matthew Rush	12/15/2008	Committee Call	2.00
Michael Henkin	12/15/2008	Call with Jefferies team	1.50
Michael Henkin	12/15/2008	Calls with advisors, counsel	1.25
Michael Henkin	12/15/2008	Document review	1.50

Jefferies & Company, Inc.

December 1, 2008 - December 31, 2008

Banker	Date	Description	Hours
Michael Henkin	12/15/2008	Calls with committee and Jefferies team	2.00
Nathan Brawn	12/15/2008	Financial analysis - Advisor fee comparables	6.00
Nathan Brawn	12/15/2008	Call with Committee Professionals	1.25
Nathan Brawn	12/15/2008	Call with Committee	2.00
Nathan Brawn	12/15/2008	Review of financial analysis	2.00
Richard Klein	12/15/2008	Call with advisors	0.50
Richard Klein	12/15/2008	Call with sub-committee	0.50
Richard Klein	12/15/2008	Call with committee	1.00
Richard Klein	12/15/2008	Financials review	0.50
Richard Klein	12/15/2008	Calls with advisors	0.50
Richard Klein	12/15/2008	Review of DIP analysis and discussions	2.00
Steve Tricarico	12/15/2008	Committee Call	2.00
Vishal Gupta	12/15/2008	Committee call	2.00
Vishal Gupta	12/15/2008	Call with advisors	0.75
Vishal Gupta	12/15/2008	Work on DIP comps	4.25
Adam Steinberg	12/16/2008	Call with Professionals	1.00
Adam Steinberg	12/16/2008	Review of correspondence on DIP / Court Filings	1.00
Cory Shamis	12/16/2008	DIP analysis	3.50
Cory Shamis	12/16/2008	Call with committee	1.00
James Boyd	12/16/2008	Committee Call	1.50
Matthew Rush	12/16/2008	Committee Call	1.00
Michael Henkin	12/16/2008	Document review; communication with counsel and Jefferies team	1.00
Michael Henkin	12/16/2008	Call with committee; communication with counsel, advisors	1.00
Nathan Brawn	12/16/2008	Call with Committee Professionals	1.00
Nathan Brawn	12/16/2008	Financial analysis - Real Estate comparables	6.00
Nathan Brawn	12/16/2008	Review of DIP filings	1.00
Richard Klein	12/16/2008	Calls with committee and advisors	1.00
Richard Klein	12/16/2008	Correspondence with advisors	0.50
Richard Klein	12/16/2008	Call with counsel	1.00
Richard Klein	12/16/2008	Review of retention documents	2.00
Richard Klein	12/16/2008	Review of fee proposals	3.00
Steve Tricarico	12/16/2008	Committee Call	1.50
Vishal Gupta	12/16/2008	Work on DIP comps	3.50
Vishal Gupta	12/16/2008	Call with committee	1.00
Adam Steinberg	12/17/2008	Various communications, administrative tasks	1.00
Cory Shamis	12/17/2008	Advisor fee analysis	4.50
Michael Henkin	12/17/2008	Communication with counsel, Jefferies team	1.50
Nathan Brawn	12/17/2008	Review of financial analysis	1.00
Nathan Brawn	12/17/2008	Review of court filings	2.00
Steve Tricarico	12/17/2008	M&A Process Tracking	1.00
Vishal Gupta	12/17/2008	Work on real estate advisor comps	6.75
Michael Henkin	12/18/2008	Document review	2.75
Michael Henkin	12/18/2008	Document review; calls with advisors, Jefferies team	2.00
Michael Henkin	12/18/2008	Document work / review; communication with Jefferies team	1.25
Steve Tricarico	12/18/2008	Conference Call & prep	3.00
Cory Shamis	12/19/2008	Discussion on fee analysis	0.75
Michael Henkin	12/19/2008	Document review, calls with Jefferies team and counsel	1.50
Steve Tricarico	12/19/2008	Conference Call & prep	1.50
Vishal Gupta	12/19/2008	Work on real estate advisor comps and discuss with team	0.75
Michael Henkin	12/21/2008	Analysis review; communication with Jefferies team	3.00
Adam Steinberg	12/22/2008	Review periodicals on industry, company	1.00
Adam Steinberg	12/22/2008	Various communications, administrative tasks	0.50
Adam Steinberg	12/22/2008	Call with Professionals	2.00
Cory Shamis	12/22/2008	Advisor fee analysis	2.00
Cory Shamis	12/22/2008	Call with Jefferies team	1.00
Cory Shamis	12/22/2008	Call with advisors	1.00
James Boyd	12/22/2008	Intertan process call	1.00
James Boyd	12/22/2008	Salinas Call	1.00
Matthew Rush	12/22/2008	Golden Gate call	1.00
Matthew Rush	12/22/2008	Intertan process call	1.00
Matthew Rush	12/22/2008	Salinas Call	1.00
Michael Henkin	12/22/2008	Calls with advisors, counsel	1.50

Jefferies & Company, Inc.

December 1, 2008 - December 31, 2008

Banker	Date	Description	Hours
Michael Henkin	12/22/2008	Calls with advisors, Jefferies team, bidders	5.00
Nathan Brawn	12/22/2008	Call with Professionals	1.75
Nathan Brawn	12/22/2008	Financial analysis - Real Estate comparables	4.00
Richard Klein	12/22/2008	Call with Professionals	2.00
Steve Tricarico	12/22/2008	Intertan process call	2.00
Vishal Gupta	12/22/2008	Work on real estate comps analysis	2.00
Vishal Gupta	12/22/2008	Internal call	1.00
Vishal Gupta	12/22/2008	Call with advisors	1.00
Adam Steinberg	12/23/2008	Review of Real Estate analysis	1.00
Adam Steinberg	12/23/2008	Call with Committee	1.50
Cory Shamis	12/23/2008	Call with committee	1.50
James Boyd	12/23/2008	Committee Call prep	0.50
James Boyd	12/23/2008	Committee Call	1.50
Matthew Rush	12/23/2008	Committee Call prep	0.50
Matthew Rush	12/23/2008	Committee Call	1.50
Michael Henkin	12/23/2008	Document review	0.75
Michael Henkin	12/23/2008	Calls with committee, counsel	1.50
Nathan Brawn	12/23/2008	Work on preliminary vendor term sheet	1.50
Nathan Brawn	12/23/2008	Call with Committee	1.50
Richard Klein	12/23/2008	Calls with committee	2.50
Steve Tricarico	12/23/2008	Committee Call	3.00
Vishal Gupta	12/23/2008	Call with committee, advisors	1.50
Adam Steinberg	12/26/2008	Call with Jefferies team	0.50
Cory Shamis	12/26/2008	Call with Jefferies team	0.50
Michael Henkin	12/26/2008	Document review; internal call with Jefferies team	1.00
Nathan Brawn	12/26/2008	Call with Jefferies team	0.50
Richard Klein	12/26/2008	Correspondence with counsel	0.50
Richard Klein	12/26/2008	Call with Jefferies team	0.50
Richard Klein	12/26/2008	Document review	0.50
Vishal Gupta	12/26/2008	Call with Jefferies team	0.50
Adam Steinberg	12/27/2008	Call with Jefferies team (internal)	1.00
Cory Shamis	12/27/2008	Call with Jefferies team (internal)	1.00
Nathan Brawn	12/27/2008	Call with Jefferies team (internal)	1.00
Nathan Brawn	12/27/2008	Financial analysis - Real Estate comparables	3.50
Richard Klein	12/27/2008	Call with Jefferies team (internal)	1.00
Vishal Gupta	12/27/2008	Call with Jefferies team (internal)	1.00
Adam Steinberg	12/29/2008	Calls with Rothschild regarding sales process, counsel	1.25
Cory Shamis	12/29/2008	Call with advisors	1.25
James Boyd	12/29/2008	Process call with Rothschild	3.00
Matthew Rush	12/29/2008	Process call with Rothschild	2.00
Michael Henkin	12/29/2008	Calls with counsel, Jefferies team	1.25
Nathan Brawn	12/29/2008	Work on preliminary vendor term sheet	2.50
Nathan Brawn	12/29/2008	Call with advisors, counsel	1.25
Richard Klein	12/29/2008	Call with advisors	1.00
Richard Klein	12/29/2008	Calls with committee members	1.00
Richard Klein	12/29/2008	Correspondence with committee members	0.50
Steve Tricarico	12/29/2008	Process call with Rothschild	3.00
Vishal Gupta	12/29/2008	Call with advisors	1.25
Adam Steinberg	12/30/2008	Communication with Jefferies team and counsel	1.50
Cory Shamis	12/30/2008	Correspondence review from counsel, Jefferies team	1.00
Michael Henkin	12/30/2008	Communication with Jefferies and counsel	1.75
Nathan Brawn	12/30/2008	Communication with Jefferies and counsel	1.00
Richard Klein	12/30/2008	Communication with counsel, internal	1.50
Vishal Gupta	12/30/2008	Communication with counsel, internal	1.00
Michael Henkin	12/31/2008	Document review; communication with Jefferies team	3.00
Total:			643.50



**Jefferies & Company, Inc.**  
520 Madison Avenue, 17th Floor  
New York, New York 10022  
tel (212) 284-2550  
fax (212) 284-2540  
www.jefferies.com

Circuit City Stores, Inc.  
Attn: James Marcum & Reginald D. Hedgebeth  
9950 Mayland Drive  
Richmond, Virginia 23233

Skadden, Arps, Slate, Meagher, & Flom LLP  
Attn: Gregg M. Galardi, Esq.  
One Rodney Square, P.O. Box 636  
Wilmington, Delaware 19899

McGuireWoods LLP  
Attn: Dion W. Hayes, Esq.  
One James Center  
901 E. Cary Street  
Richmond, Virginia 23219

The Office of the United States Trustee for the Eastern District of Virginia  
Attn: Robert B. Van Arsdale  
701 East Broad Street, Suite 4304  
Richmond, Virginia 23219

Pachulski Stang Ziehl & Jones LLP  
Attn: Jeff Pomerantz, Esq.  
10100 Santa Monica Boulevard, 11<sup>th</sup> Floor  
Los Angeles, California 90067-4100

**Re: Order Granting Motion to Authorize Under Bankruptcy Code Sections 105(a) and 331  
Establishing Procedures for Interim Compensation (Docket No. 830)**

Pursuant to the above referenced order, please find enclosed the third Monthly Statement covering the period of January 18, 2009 through January 31, 2009 for Jefferies & Company, Inc.

If you have any questions, please contact Michael Henkin (415-229-1426) or Rich Klein (212-708-2733).

Regards,

Jefferies & Company, Inc.

**Jefferies & Company, Inc.**

March 12, 2009

Page 2

Re: Circuit City Stores, Inc. et al (collectively the "Debtors")  
Bankruptcy Case No. 08-35653  
Jefferies & Company, Inc.  
Monthly Statement – January 18, 2009 – January 31, 2009

Gentlemen:

Jefferies & Company, Inc. ("Jefferies") submits the annexed statement of fees and expenses for the period of January 18, 2009 - January 31, 2009 (the "Compensation Period") as Financial Advisors for the Official Committee of Unsecured Creditors in accordance with the *Order Establishing Procedures For Interim Compensation* entered on December 9, 2008 (the "Interim Compensation Order").


The total amount of fees and expenses for Jefferies on this statement cover the period January 18, 2009 through January 31, 2009, is \$114,312.60, which consists of fees in the amount of \$90,322.58 and expenses in the amount of \$23,990.02. Pursuant to the Interim Compensation Order, Jefferies requests payment from the Debtors in the total amount of \$100,764.21, representing 85% of the total monthly fees in the amount of \$76,774.19 plus the total monthly expenses in the amount of \$23,990.02.<sup>1</sup>

All amounts sought herein are consistent with the Court's approval authorizing the employment of Jefferies & Company, Inc. as financial advisor to the Official Committee of Unsecured Creditors Retroactive to November 18, 2008, reflected on the Court's docket as of January 16, 2009 (Docket #1682).

If you have any questions or comments regarding the foregoing, please do not hesitate to contact me.

Dated: New York, NY  
March 12, 2009

Jefferies & Company, Inc.

  
Richard Klein  
Senior Vice President  
Jefferies & Company, Inc.  
520 Madison Ave., 17<sup>th</sup> Fl.  
New York, NY 10022  
Tel: (212) 708-2733  
Fax: (212) 284-2540

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<sup>1</sup> The Interim Compensation Order requires that 15% of fees be held back (the "Holdback") and for approval of the Holdback to be sought through a formal fee application to be filed with the Court.



Jefferies & Company, Inc.  
520 Madison Avenue  
12th Floor  
New York, NY 10022

**INVOICE**

Invoice Number: 7447  
Invoice Date: 3/12/2009  
Reference #: CIR867001B  
Terms: Immediate

Official Committee of the Unsecured Creditors  
of Circuit City Stores, Inc.  
9950 Mayland Drive  
Richmond, Virginia 23233

Attention: Ramona Neal  
Chairperson

Re: Advisory Services

For services rendered in accordance with our engagement letter dated November 18, 2008

<b>Monthly Fee:</b>	
January 18, 2009 - January 31, 2009	\$90,322.58
15% Holdback	<del>\$13,548.39</del>
<b>Total Fee</b>	<b>\$76,774.19</b>
<b>Expenses:</b>	
Accommodations	\$2,897.25
Financial Research	\$333.62
Legal Services	\$10,847.06
Meals	\$1,339.43
Phone/Fax	\$403.82
Printing Cost	\$304.78
Transportation - Air	\$6,368.83
Transportation - Ground	\$2,577.23
Crediting from November & December Invoices <sup>1</sup>	<del>\$1,082.00</del>
<b>Total Expenses</b>	<b>\$23,990.02</b>

**TOTAL DUE \$100,764.21**

**Payment Details**

Wire Instructions

Bank of New York  
ABA #021000018  
A/C: Jefferies & Company, Inc.  
A/C: #890-065-2772

Check Payment Instructions

Jefferies & Company, Inc.  
11100 Santa Monica Blvd.  
12th Floor  
Los Angeles, CA 90025

Reference: CIR867-7447-Circuit City

1) Jefferies respectfully wrote-off \$1,082.00 in expenses for the invoice #7407 and invoice #7420 periods after the Company paid the amount originally invoiced.  
This amount has been credited and deducted from the current expense total.

**Jefferies & Company, Inc.**

**Summary of Hours Worked**

January 1, 2009 - January 31, 2009

<u>Name</u>	<u>Position</u>	<u>Hours Worked</u>
Michael Henkin	Managing Director, Recapitalization and Restructuring Group	79.00
Steve Tricarico	Managing Director, Consumer Group	41.00
Richard Klein	Senior Vice President, Recapitalization and Restructuring	71.75
Matthew Rush	Vice President, Consumer Group	19.50
Adam Steinberg	Vice President, Recapitalization and Restructuring Group	43.50
Nathan Brawn	Analyst, Recapitalization and Restructuring Group	52.50
Vishal Gupta	Analyst, Recapitalization and Restructuring Group	45.75
Cory Shamis	Analyst, Generalist	10.00
James Boyd	Analyst, Consumer Group	21.00
<b>Total</b>		<b>384.00</b>

Other Jefferies professionals who participated but do not keep hours:

Justin Despirito	Legal Counsel
Patrick Morrow	Paralegal



Jefferies & Company, Inc.

January 1, 2009 - January 31, 2009

Banker	Date	Description	Hours
Richard Klein	1/1/2009	Review of correspondence with committee members	0.50
Adam Steinberg	1/2/2009	Call with Professionals for the Committee	1.00
Cory Shamis	1/2/2009	Call with advisors, counsel	1.00
James Boyd	1/2/2009	Advisor Call	1.00
Matthew Rush	1/2/2009	Advisor Call	1.00
Michael Henkin	1/2/2009	Calls with Jefferies team, advisors, counsel	1.00
Michael Henkin	1/2/2009	Document / motions review	1.75
Nathan Brawn	1/2/2009	Call with professionals for committee	1.00
Richard Klein	1/2/2009	Review of correspondence with committee members	0.50
Richard Klein	1/2/2009	Draft documentation for committee	1.00
Richard Klein	1/2/2009	Call with advisors	1.00
Richard Klein	1/2/2009	Review of court filings and procedures	2.00
Steve Tricarico	1/2/2009	Advisor Call	1.00
Vishal Gupta	1/2/2009	Call with advisors	1.00
Adam Steinberg	1/3/2009	Call with Professionals, Jefferies team	2.00
Michael Henkin	1/3/2009	Calls with counsel, Jefferies team	2.50
Nathan Brawn	1/3/2009	Call with advisors, Jefferies team	2.00
Richard Klein	1/3/2009	Calls with counsel, internal, advisors	2.50
Vishal Gupta	1/3/2009	Calls with counsel, internal, advisors	2.50
Adam Steinberg	1/4/2009	Call with Rothschild regarding sales process	1.50
Michael Henkin	1/4/2009	Calls with counsel, advisors, Jefferies team	2.50
Michael Henkin	1/4/2009	Worked on documentation; communication with committee / team	1.00
Nathan Brawn	1/4/2009	Call with professionals	1.50
Richard Klein	1/4/2009	Calls with advisors	2.50
Steve Tricarico	1/4/2009	M&A Process Diligence	2.00
Vishal Gupta	1/4/2009	Calls with advisors	2.50
Adam Steinberg	1/5/2009	Call with Professionals	1.00
Cory Shamis	1/5/2009	Call with committee	1.00
James Boyd	1/5/2009	Committee Call	1.00
Matthew Rush	1/5/2009	Committee Call prep	0.50
Matthew Rush	1/5/2009	Committee Call	1.00
Michael Henkin	1/5/2009	Communication with Jefferies team; bid review	1.25
Michael Henkin	1/5/2009	Calls with advisors, Jefferies team, bidder advisors	0.50
Nathan Brawn	1/5/2009	Call with professionals	1.00
Nathan Brawn	1/5/2009	Calls with Committee members	1.00
Nathan Brawn	1/5/2009	Review of 503(b)(9) claims analysis	0.50
Richard Klein	1/5/2009	Review of committee call materials	2.00
Richard Klein	1/5/2009	Call with committee	1.00
Richard Klein	1/5/2009	Calls with advisors	0.50
Richard Klein	1/5/2009	Document and financials review	1.00
Steve Tricarico	1/5/2009	Committee Call	5.00
Vishal Gupta	1/5/2009	Communication with internal team and analysis review	1.25
Vishal Gupta	1/5/2009	Call with advisors	0.50
Michael Henkin	1/6/2009	Communication with counsel	1.00
Michael Henkin	1/6/2009	Communication with committee, advisors, Jefferies team	1.25
Richard Klein	1/6/2009	Correspondence with advisors	0.50
Richard Klein	1/6/2009	Call with counsel	0.50
Steve Tricarico	1/6/2009	M&A Process Diligence	3.00
Adam Steinberg	1/7/2009	Call with Rothschild regarding sales process	2.00
Adam Steinberg	1/7/2009	Call with committee	2.00
Adam Steinberg	1/7/2009	Internal call	0.50
Cory Shamis	1/7/2009	Call with advisors	1.50
James Boyd	1/7/2009	Rothschild update call	1.00
James Boyd	1/7/2009	Committee Call prep	0.50
James Boyd	1/7/2009	Committee Call	1.50
Matthew Rush	1/7/2009	Rothschild update call	1.00
Matthew Rush	1/7/2009	Committee Call prep	0.50

Jefferies & Company, Inc.

January 1, 2009 - January 31, 2009

Banker	Date	Description	Hours
Matthew Rush	1/7/2009	Committee Call	1.50
Michael Henkin	1/7/2009	Calls with advisors	2.00
Michael Henkin	1/7/2009	Call with committee	2.00
Michael Henkin	1/7/2009	Document / report review; communication with advisors, counsel	0.75
Nathan Brawn	1/7/2009	Review of Court filings	0.50
Nathan Brawn	1/7/2009	Call with Rothschild	2.00
Nathan Brawn	1/7/2009	Call with committee	1.00
Nathan Brawn	1/7/2009	Call with Jefferies team (internal)	0.50
Richard Klein	1/7/2009	Financials review	1.50
Richard Klein	1/7/2009	Call with advisors	2.00
Richard Klein	1/7/2009	Call with committee	2.00
Steve Tricarico	1/7/2009	Rothschild update call	1.00
Steve Tricarico	1/7/2009	Committee Call prep	2.50
Steve Tricarico	1/7/2009	Committee Call	1.50
Vishal Gupta	1/7/2009	Call with advisors	2.00
Vishal Gupta	1/7/2009	Call with committee	2.00
Adam Steinberg	1/8/2009	Call with committee	2.00
Cory Shamis	1/8/2009	Call with committee	1.00
Michael Henkin	1/8/2009	Presentation review; calls with counsel and Jefferies team	2.50
Michael Henkin	1/8/2009	Calls with committee, advisors; presentation prep	2.00
Nathan Brawn	1/8/2009	Review of Protiviti analysis	1.50
Nathan Brawn	1/8/2009	Call with committee	2.00
Richard Klein	1/8/2009	Correspondence with advisors	0.50
Richard Klein	1/8/2009	Correspondence with Jefferies team and advisors	0.50
Steve Tricarico	1/8/2009	M&A Process Diligence	4.00
Vishal Gupta	1/8/2009	Call with committee	1.50
Adam Steinberg	1/9/2009	Call with Jefferies team, counsel	2.00
Michael Henkin	1/9/2009	Calls with Jefferies team, advisors, counsel, bidders	3.00
Michael Henkin	1/9/2009	Communication with counsel, advisors	2.00
Nathan Brawn	1/9/2009	Call with counsel, Jefferies team	2.00
Richard Klein	1/9/2009	Call with counsel, Jefferies team	2.00
Vishal Gupta	1/9/2009	Calls with counsel, internal, bidders	3.00
Michael Henkin	1/10/2009	Review correspondence	2.50
Richard Klein	1/10/2009	Review of documents and court filings	4.00
Steve Tricarico	1/10/2009	M&A Process Diligence	1.00
Adam Steinberg	1/11/2009	Call with Rothschild regarding sales process	1.00
Adam Steinberg	1/11/2009	Call with Professionals for the Committee	1.00
James Boyd	1/11/2009	Rothschild update call	1.50
Matthew Rush	1/11/2009	Rothschild update call	1.00
Michael Henkin	1/11/2009	Calls with advisors and counsel	3.50
Michael Henkin	1/11/2009	Review bid packages; communication with counsel	1.00
Nathan Brawn	1/11/2009	Call with Rothschild regarding sales process	1.00
Nathan Brawn	1/11/2009	Call with Professionals for the Committee	1.00
Richard Klein	1/11/2009	Call with advisors	1.00
Richard Klein	1/11/2009	Call with counsel	1.00
Richard Klein	1/11/2009	Correspondence between advisors	1.00
Steve Tricarico	1/11/2009	Rothschild update call & diligence	4.00
Vishal Gupta	1/11/2009	Calls with advisors, counsel	2.50
Adam Steinberg	1/12/2009	Call with Rothschild regarding sales process, Professionals	1.00
Adam Steinberg	1/12/2009	Committee Call	1.50
Adam Steinberg	1/12/2009	Financial Analysis, Internal calls	2.00
Cory Shamis	1/12/2009	Call with committee	1.00
James Boyd	1/12/2009	Model Update Call	1.00
Matthew Rush	1/12/2009	Model Update Call	1.00
Michael Henkin	1/12/2009	Call with committee; document review	2.25
Michael Henkin	1/12/2009	Calls - internal, counsel	2.00
Nathan Brawn	1/12/2009	Call with Rothschild regarding sales process	1.00

Jefferies & Company, Inc.

January 1, 2009 - January 31, 2009

Banker	Date	Description	Hours
Nathan Brawn	1/12/2009	Committee Call	1.50
Nathan Brawn	1/12/2009	Internal calls; Work review	1.50
Richard Klein	1/12/2009	Discussion with Jefferies team on auction process	1.00
Richard Klein	1/12/2009	Calls with advisors	1.00
Richard Klein	1/12/2009	Presentation review	0.50
Richard Klein	1/12/2009	Call with bidder's advisor	0.50
Richard Klein	1/12/2009	Review of financials and court filings	0.50
Richard Klein	1/12/2009	Call with committee	1.00
Richard Klein	1/12/2009	Review of bids and financials	1.00
Steve Tricarico	1/12/2009	Model Update Call	2.00
Vishal Gupta	1/12/2009	Call with committee	2.25
Vishal Gupta	1/12/2009	Work on liquidation / recovery analysis	6.00
Adam Steinberg	1/13/2009	Attended auction of miscellaneous assets at Skadden	2.00
Adam Steinberg	1/13/2009	Review and analysis of potential bids	4.00
Adam Steinberg	1/13/2009	Committee Call	1.00
James Boyd	1/13/2009	Committee Call prep	0.50
James Boyd	1/13/2009	Committee Call	2.00
Matthew Rush	1/13/2009	Committee Call prep	0.50
Matthew Rush	1/13/2009	Committee Call	2.00
Michael Henkin	1/13/2009	Document review	1.50
Michael Henkin	1/13/2009	Call with committee; document review	1.25
Nathan Brawn	1/13/2009	Committee Call	1.00
Richard Klein	1/13/2009	Review of bids and financials	0.50
Richard Klein	1/13/2009	Analyzing bid comparison	1.00
Richard Klein	1/13/2009	Attended auction	1.00
Steve Tricarico	1/13/2009	Committee Call prep	0.50
Steve Tricarico	1/13/2009	Committee Call	1.50
Vishal Gupta	1/13/2009	Work on liquidation / recovery analysis	3.00
Vishal Gupta	1/13/2009	Call with committee	1.25
Vishal Gupta	1/13/2009	Work on liquidation analysis	1.00
Adam Steinberg	1/14/2009	Call with committee	1.00
Cory Shamis	1/14/2009	Call with committee	1.00
James Boyd	1/14/2009	Committee Call	2.00
Matthew Rush	1/14/2009	Committee Call	2.00
Michael Henkin	1/14/2009	Call with committee	1.00
Nathan Brawn	1/14/2009	Financial Analysis - Liquidator bid evaluation	7.00
Nathan Brawn	1/14/2009	Call with committee	1.00
Richard Klein	1/14/2009	Attended auction, review bids, analyzed and draft presentation	13.00
Steve Tricarico	1/14/2009	Committee Call	2.00
Vishal Gupta	1/14/2009	Call with committee	1.00
Adam Steinberg	1/15/2009	Call with committee	0.75
Adam Steinberg	1/15/2009	Call with committee	1.50
Cory Shamis	1/15/2009	Call with committee	1.50
Cory Shamis	1/15/2009	Call with committee, debtor	2.00
James Boyd	1/15/2009	Committee Call	2.00
Matthew Rush	1/15/2009	Committee Call	2.00
Michael Henkin	1/15/2009	Travel from SFO to NYC	7.00
Michael Henkin	1/15/2009	Call with committee	0.75
Michael Henkin	1/15/2009	Call with committee	1.50
Michael Henkin	1/15/2009	Committee Calls	2.25
Nathan Brawn	1/15/2009	Financial Analysis - Liquidator bid evaluation	6.00
Nathan Brawn	1/15/2009	Attended auction, review bids, analyzed and draft presentation	15.00
Richard Klein	1/15/2009	Committee Call	2.00
Steve Tricarico	1/15/2009	Call with committee	0.75
Vishal Gupta	1/15/2009	Call with committee	1.50
Vishal Gupta	1/15/2009	Call with committee	1.50
Adam Steinberg	1/16/2009	Mtg with counsel, advisors; Court hearing	5.50
Adam Steinberg	1/16/2009	Calls with counsel, bid review	2.50

Jefferies & Company, Inc.

January 1, 2009 - January 31, 2009

Banker	Date	Description	Hours
Adam Steinberg	1/16/2009	Calls with Professionals, internal	1.50
Michael Henkin	1/16/2009	Meeting with counsel, advisors; court hearing	5.50
Michael Henkin	1/16/2009	Work on retention; calls with counsel; document review	2.50
Michael Henkin	1/16/2009	Travel from NYC to Richmond; court hearing prep	3.50
Michael Henkin	1/16/2009	Calls with counsel, internal Jefferies team	1.50
Nathan Brawn	1/16/2009	Meeting with counsel, advisors at court hearing	5.50
Nathan Brawn	1/16/2009	Calls with counsel; bid analysis and work on presentation	2.50
Nathan Brawn	1/16/2009	Calls with professionals, internal	1.50
Richard Klein	1/16/2009	Calls with counsel, advisors, internal	1.50
Vishal Gupta	1/16/2009	Calls with counsel, advisors, internal	1.50
Michael Henkin	1/17/2009	Travel from Richmond to SF; communications with committee	11.50
Steve Tricarico	1/19/2009	Conference Call Prep	1.50
James Boyd	1/20/2009	Intertan Update Call	1.00
Matthew Rush	1/20/2009	Intertan Update Call	1.00
Steve Tricarico	1/20/2009	Intertan Update Call	1.50
Vishal Gupta	1/20/2009	Intertan Update Call	1.00
Vishal Gupta	1/21/2009	Administrative	1.50
Vishal Gupta	1/22/2009	Administrative	2.00
Adam Steinberg	1/25/2009	Call with advisors	1.00
James Boyd	1/25/2009	Intertan Update Call	3.00
Matthew Rush	1/25/2009	Intertan Update Call	2.00
Michael Henkin	1/25/2009	Call with advisors	1.00
Nathan Brawn	1/25/2009	Call with advisors	1.00
Richard Klein	1/25/2009	Call with advisors	1.00
Steve Tricarico	1/25/2009	Intertan Update Call	2.00
Vishal Gupta	1/25/2009	Call with advisors	1.00
Adam Steinberg	1/26/2009	Call with committee	1.50
James Boyd	1/26/2009	Pachulski call	1.00
James Boyd	1/26/2009	Committee Call	1.00
Matthew Rush	1/26/2009	Committee Call prep	0.50
Matthew Rush	1/26/2009	Committee Call	1.00
Michael Henkin	1/26/2009	Call with committee	1.50
Nathan Brawn	1/26/2009	Call with committee	1.50
Richard Klein	1/26/2009	Call with committee	1.50
Steve Tricarico	1/26/2009	Pachulski call	1.00
Steve Tricarico	1/26/2009	Committee Call	1.00
Vishal Gupta	1/26/2009	Call with committee	1.50
Adam Steinberg	1/27/2009	Call with counsel & advisors	0.75
James Boyd	1/27/2009	Intertan Update Call	1.00
Matthew Rush	1/27/2009	Intertan Update Call	1.00
Michael Henkin	1/27/2009	Call with counsel & advisors	0.75
Nathan Brawn	1/27/2009	Call with counsel & advisors	0.75
Richard Klein	1/27/2009	Call with counsel & advisors	0.75
Steve Tricarico	1/27/2009	Intertan Update Call	1.00
Vishal Gupta	1/27/2009	Call with counsel & advisors	0.75
Vishal Gupta	1/28/2009	Administrative	1.00
<b>Total</b>			<b>384.00</b>



**Jefferies & Company, Inc.**  
520 Madison Avenue, 17th Floor  
New York, New York 10022  
tel (212) 284-2550  
fax (212) 284-2540  
www.jefferies.com

Circuit City Stores, Inc.  
Attn: James Marcum & Reginald D. Hedgebeth  
9950 Mayland Drive  
Richmond, Virginia 23233

Skadden, Arps, Slate, Meagher, & Flom LLP  
Attn: Gregg M. Galardi, Esq.  
One Rodney Square, P.O. Box 636  
Wilmington, Delaware 19899

McGuireWoods LLP  
Attn: Dion W. Hayes, Esq.  
One James Center  
901 E. Cary Street  
Richmond, Virginia 23219

The Office of the United States Trustee for the Eastern District of Virginia  
Attn: Robert B. Van Arsdale  
701 East Broad Street, Suite 4304  
Richmond, Virginia 23219

Pachulski Stang Ziehl & Jones LLP  
Attn: Jeff Pomerantz, Esq.  
10100 Santa Monica Boulevard, 11<sup>th</sup> Floor  
Los Angeles, California 90067-4100

**Re: Order Granting Motion to Authorize Under Bankruptcy Code Sections 105(a) and 331  
Establishing Procedures for Interim Compensation (Docket No. 830)**

Pursuant to the above referenced order, please find enclosed the fourth Monthly Statement covering the periods of February 1, 2009 through February 5, 2009 (the "Transition Period") and February 6, 2009 through March 5, 2009 for Jefferies & Company, Inc.

If you have any questions, please contact Michael Henkin (415-229-1426) or Rich Klein (212-708-2733).

Regards,

Jefferies & Company, Inc.

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Jefferies & Company, Inc.  
March 18, 2009  
Page 2

Re: Circuit City Stores, Inc. et al (collectively the "Debtors")  
Bankruptcy Case No. 08-35653  
Jefferies & Company, Inc.  
Monthly Statement – February 1, 2009 – March 5, 2009

Gentlemen:

Jefferies & Company, Inc. ("Jefferies") submits the annexed statement of fees and expenses for the periods of February 1, 2009 - February 5, 2009 (the "Transition Period") and February 6, 2009 through March 5, 2009 as Financial Advisors for the Official Committee of Unsecured Creditors in accordance with the *Order Establishing Procedures For Interim Compensation* entered on December 9, 2008 (the "Interim Compensation Order").

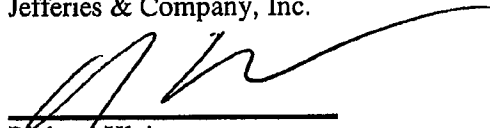
The total amount of fees and expenses for Jefferies on this statement cover the period February 1, 2009 through March 5, 2009, is \$134,349.53, which consists of fees in the amount of \$132,258.00 and expenses in the amount of \$2,091.53. Pursuant to the Interim Compensation Order, Jefferies requests payment from the Debtors in the total amount of \$119,349.53, representing 85% of the total monthly fees in the amount of \$117,258.00 plus the total monthly expenses in the amount of \$2,091.53.<sup>1</sup>

All amounts sought herein are consistent with the Court's approval authorizing the employment of Jefferies & Company, Inc. as financial advisor to the Official Committee of Unsecured Creditors Retroactive to November 18, 2008, reflected on the Court's docket as of January 16, 2009 (Docket #1682).

If you have any questions or comments regarding the foregoing, please do not hesitate to contact me.

Dated: New York, NY  
March 18, 2009

Jefferies & Company, Inc.



Richard Klein  
Senior Vice President  
Jefferies & Company, Inc.  
520 Madison Ave., 17<sup>th</sup> Fl.  
New York, NY 10022  
Tel: (212) 708-2733  
Fax: (212) 284-2540

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<sup>1</sup> The Interim Compensation Order requires that 15% of fees be held back (the "Holdback") and for approval of the Holdback to be sought through a formal fee application to be filed with the Court.

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Jefferies & Company, Inc.  
520 Madison Avenue  
12th Floor  
New York, NY 10022

**INVOICE**

Invoice Number: 7465  
Invoice Date: 03/17/2009  
Reference #: CIR867001B  
Terms: Immediate

**Official Committee of the Unsecured Creditors  
of Circuit City Stores, Inc.**  
9950 Mayland Drive  
Richmond, Virginia 23233

Attention: Ramona Neal  
Chairperson

Re: Advisory Services

**For services rendered in accordance with our engagement letter dated November 18, 2008**

**Fees:**

Transaction Period: February 1, 2009 - February 5, 2009	\$32,258.00
Fourth Monthly Fee: February 6, 2009 - March 5, 2009	\$100,000.00
Less 15% Holdback	(\$15,000.00)
<b>Total Fee</b>	<b>\$117,258.00</b>

**Expenses:**

Financial Research	\$360.72
Meals	\$575.41
Phone/Fax	\$120.14
Transportation - Air	\$628.30
Transportation - Ground	\$406.96
<b>Total Expenses</b>	<b>\$2,091.53</b>

**TOTAL DUE \$119,349.53**

**Payment Details**

Wire Instructions

Bank of New York  
ABA #021000018  
A/C: Jefferies & Company, Inc.  
A/C: #890-065-2772

Check Payment Instructions

Jefferies & Company, Inc.  
11100 Santa Monica Blvd.  
12th Floor  
Los Angeles, CA 90025

Reference: CIR867-7465-Circuit City

**Jefferies & Company, Inc.**

**Summary of Hours Worked**

February 1, 2009 - February 28, 2009

<u>Name</u>	<u>Position</u>	<u>Hours Worked</u>
Michael Henkin	Managing Director, Recapitalization and Restructuring Group	14.75
Steve Tricarico	Managing Director, Consumer Group	9.50
Richard Klein	Senior Vice President, Recapitalization and Restructuring	9.75
Matthew Rush	Vice President, Consumer Group	15.00
Adam Steinberg	Vice President, Recapitalization and Restructuring Group	6.50
Vishal Gupta	Analyst, Recapitalization and Restructuring Group	8.50
James Boyd	Analyst, Consumer Group	9.00
<b>Total</b>		<b><u>73.00</u></b>

Other Jefferies professionals who participated but do not keep hours:

Justin Despirito      Legal Counsel  
Patrick Morrow      Paralegal



Jefferies & Company, Inc.  
February 1, 2009 - February 28, 2009

Banker	Date	Description	Hours
James Boyd	2/1/2009	Intertan Update Call	1.00
Matthew Rush	2/1/2009	Intertan Update Call	1.00
Steve Tricarico	2/1/2009	Intertan Update Call; Document review	2.00
Vishal Gupta	2/1/2009	Intertan Update Call	1.00
Adam Steinberg	2/2/2009	Intertan Update Call	1.00
Adam Steinberg	2/2/2009	Committee Call	2.00
James Boyd	2/2/2009	Intertan Update Call	1.00
James Boyd	2/2/2009	Committee Call	2.00
Matthew Rush	2/2/2009	Intertan Update Call	1.00
Matthew Rush	2/2/2009	Committee call and prep	2.50
Michael Henkin	2/2/2009	Committee call	0.75
Richard Klein	2/2/2009	Committee Call	2.00
Steve Tricarico	2/2/2009	Intertan Update Call	1.00
Steve Tricarico	2/2/2009	Committee Call	1.00
Vishal Gupta	2/2/2009	Intertan Update Call	1.00
Vishal Gupta	2/2/2009	Committee Call	2.00
Michael Henkin	2/4/2009	Review M&A updates	0.50
Richard Klein	2/4/2009	Call with potential purchaser of Visa receivables	0.50
Michael Henkin	2/6/2009	Review communications	1.00
Richard Klein	2/6/2009	Email with potential purchaser of Visa receivables	0.50
Michael Henkin	2/9/2009	Review M&A info & related communication	1.25
Adam Steinberg	2/10/2009	Committee Call	1.00
James Boyd	2/10/2009	Update call w/ Rothschild	0.50
James Boyd	2/10/2009	Committee Call	1.50
Matthew Rush	2/10/2009	Committee call and prep	2.00
Matthew Rush	2/10/2009	Update call w/ Rothschild	0.50
Michael Henkin	2/10/2009	Committee call	1.25
Richard Klein	2/10/2009	Committee Call	1.25
Steve Tricarico	2/10/2009	Update call w/ Rothschild	0.50
Steve Tricarico	2/10/2009	Committee Call	1.00
Vishal Gupta	2/10/2009	Committee Call	1.00
Michael Henkin	2/11/2009	Review liquidation analysis, communications	0.75
Michael Henkin	2/12/2009	Review Salinas bid information	0.75
Michael Henkin	2/13/2009	Call with creditors and related communications	1.00
Richard Klein	2/13/2009	Call with creditors and related communications	1.00
Steve Tricarico	2/13/2009	Call with creditors and related communications	1.00
Michael Henkin	2/16/2009	Internal communication; Document review	1.25
Adam Steinberg	2/17/2009	Committee Call	1.50
James Boyd	2/17/2009	Intertan Update Call	0.50
James Boyd	2/17/2009	Committee Call	1.50
Matthew Rush	2/17/2009	Intertan Update Call	0.50
Matthew Rush	2/17/2009	Committee call and prep	2.00
Michael Henkin	2/17/2009	Committee call & call prep	2.25
Richard Klein	2/17/2009	Committee Call	1.50
Richard Klein	2/17/2009	Call with unsecured/potential creditors	1.00
Vishal Gupta	2/17/2009	Committee Call	1.50
Richard Klein	2/18/2009	Correspondence with buyer of Visa receivables	0.50
Michael Henkin	2/22/2009	Review incentive plan, related communication	1.25
Michael Henkin	2/23/2009	Review asset sale update, related communication	1.00
Michael Henkin	2/24/2009	Review Protiviti analysis; Internal communication	0.75
James Boyd	2/25/2009	Intertan Update Call	1.00
Matthew Rush	2/25/2009	Intertan Update Call	1.00
Richard Klein	2/25/2009	Intertan Update Call	0.50
Vishal Gupta	2/25/2009	Intertan Update Call	1.00
Adam Steinberg	2/26/2009	Committee call	1.00
Matthew Rush	2/26/2009	Committee call & prep	1.50
Richard Klein	2/26/2009	Committee call	1.00
Steve Tricarico	2/26/2009	Committee call and prep	3.00
Vishal Gupta	2/26/2009	Committee call	1.00
Matthew Rush	2/27/2009	IP Broker calls	3.00
Michael Henkin	2/27/2009	Communications with advisors, counsel	1.00
Total			73.00